

SOUTHERN UNIVERSITY SYSTEM

SINGLE AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/26/10

Sean M. Bruno
Certified Public Accountants

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Sean M. Bruno
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

Dr. Kassie Freeman, Interim President
Southern University System
Baton Rouge, Louisiana 70813

I have audited the accompanying Schedules of Expenditures of Federal Awards of the **Southern University System (the University)** for the year ended June 30, 2009. The Schedules of Expenditures of Federal Awards is the responsibility of the management of the **University**. My responsibility is to express an opinion on the Schedules of Expenditures of Federal Awards based on my audit. The accompanying Schedules of Expenditures of Federal Awards are not a part of the **University's** component unit financial statements for the year ended June 30, 2009. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of this report issuance date.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. Those standards and the provisions of OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the Schedules of Expenditures of Federal Awards are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules of Expenditures of Federal Awards. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedules of Expenditures of Federal Awards. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the Schedules of Expenditures of Federal Awards of the **Southern University System** present fairly, in all material respects, the expenditures of federal awards for the year ended June 30, 2009 in conformity with accounting principles generally accepted in the United States of America.

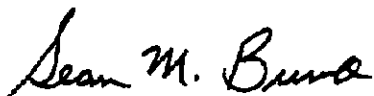
INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

(CONTINUED)

Dr. Kassie Freeman, Interim President
Southern University System
Baton Rouge, Louisiana 70813

In accordance with *Government Auditing Standards*, I have also issued my report dated March 19, 2010 on my consideration of the University's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in accessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the Schedules of Expenditures of Federal Awards taken as a whole. The supplementary data included in this report is presented for the purposes of additional analysis and is not a required part of the Schedules of Expenditures of Federal Awards. Such information has been subjected to the auditing procedures applied in the audit of the Schedules of Expenditures of Federal Awards and, in my opinion is fairly stated in all material respects in relation to the Schedules of Expenditures of Federal Awards taken as a whole.



SEAN M. BRUNO
CERTIFIED PUBLIC ACCOUNTANTS

March 19, 2010

Sean M. Bruno
Certified Public Accountants

SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|------------------------------|------------------------------|------------------------------|----------|
| (1) | (1) | (1) | (1) |

(1) Southern University - Board and System Administration did not disburse any federal expenditures during the year ended June 30, 2009.

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal | | Pass | | Activity |
|--|---------|--------|---------------------|----------|------------|
| | CFDA or | Other | Through | Entity's | |
| | Number | Number | Entity's | Number | |
| | | | | | |
| U.S. Department of Agriculture | | | | | |
| <u>Direct Awards</u> | | | | | |
| Agricultural Research - Basic and Applied Research | 10.001 | | N/A | | \$ 189,946 |
| Grants for Agricultural Research - Competitive Research Grants | 10.206 | | N/A | | 77,420 |
| 1890 Institution Capacity Building Grants | 10.216 | | N/A | | 241,338 |
| Cooperative Extension Services | 10.500 | | N/A | | 468,642 |
| Technology Marketing Unit | 10.674 | | N/A | | 9,738 |
| Urban and Community Forestry Program | 10.675 | | N/A | | 20,525 |
| RUS Denali Commission Grants and Loans | 10.858 | | N/A | | 19,919 |
| Resource Conservation and Development | 10.901 | | N/A | | 74,468 |
| Agricultural Statistics Reports | 10.950 | | N/A | | 2,715 |
| Technical Agricultural Assistance | 10.960 | | N/A | | 1,042 |
| <u>Awards from a Pass-Through Entity</u> | | | | | |
| <u>Passed-Through: South Carolina State University</u> | | | | | |
| 1890 Institution Capacity Building Grants | 10.216 | | 04-443621-FCS-SU-LA | | 8,075 |
| <u>Passed-Through: University of Georgia</u> | | | | | |
| 1890 Institution Capacity Building Grants | 10.500 | | RE6751493504 | | 10,280 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|---|---------------------------------------|---------------------------------------|------------|
| <u>U.S. Department of Agriculture, continued</u> | | | |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Agricultural Research - Basic and Applied Research | 10.001 | N/A | \$ 111,691 |
| Payments to 1890 Land-Grant Colleges and Tuskegee University | 10.205 | N/A | (7,435) |
| Grants for Agricultural Research - Competitive Research Grants | 10.206 | N/A | 61,107 |
| 1890 Institution Capacity Building Grants | 10.216 | N/A | 295,728 |
| Cooperative Extension Service | 10.443 | N/A | 117,316 |
| Cooperative Extension Service | 10.500 | N/A | 23,166 |
| Forestry Research | 10.652 | N/A | 1,983 |
| 1890 Land Grant Institutions Rural Entrepreneurial Outreach Program | 10.856 | N/A | 122,104 |
| Total U.S. Department of Agriculture | | | 1,849,768 |
| <u>U.S. Department of Commerce</u> | | | |
| <u>Direct Awards</u> | | | |
| Measurement and Engineering Research and Standards (B) | 11.609 | N/A | 3,315 |
| Total U.S. Department of Commerce | | | 3,315 |
| <u>U.S. Department of Defense</u> | | | |
| <u>Direct Awards</u> | | | |
| Basic and Applied Scientific Research | 12.300 | N/A | 18,238 |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Emergency Operations Flood Response and Post Flood Response | 12.103 | N/A | 347,866 |
| Flood Plain Management Services | 12.104 | N/A | 171,407 |
| Collaborative Research and Development | 12.114 | N/A | 111,370 |
| Basic and Applied Scientific Research | 12.300 | N/A | 370,730 |
| Basic Scientific Research | 12.431 | N/A | 257,929 |
| Basic and Applied Advanced Research in Science and Engineering | 12.630 | N/A | 54,214 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|---|---------------------------------------|---------------------------------------|------------------|
| <u>U.S. Department of Defense, Continued</u> | | | |
| <u>Awards from a Pass-Through Entity</u> | | | |
| <u>Passed-Through: Shaw Group</u> | | | |
| Flood Plain Management Services | 12.104 | PO 410048 OP | \$ 36,471 |
| <u>Passed-Through: Earth Tech., Inc.</u> | | | |
| Basic and Applied Scientific Research | 12.300 | 659378416 | 189,588 |
| <u>Passed-Through: Shaw Group</u> | | | |
| Basic and Applied Scientific Research | 12.300 | P400255 | 20,531 |
| <u>Passed-Through: Tetra Tech, Inc.</u> | | | |
| Basic and Applied Scientific Research | 12.300 | 1020877 | 112,477 |
| <u>Passed-Through: Tetra Tech, Inc.</u> | | | |
| Basic and Applied Research in Science and Engineering | 12.630 | 1000698 | 10,623 |
| <u>Passed-Through: Shaw Group</u> | | | |
| Basic and Applied Research in Science and Engineering | 12.630 | IDIQ-102014 | 34,086 |
| <u>Passed-Through: CH2M Hill, Inc.</u> | | | |
| Basic and Applied Research in Science and Engineering | 12.630 | PO 0909752 | 126,417 |
| <u>Passed-Through: Michael Baker, Jr. Inc.</u> | | | |
| Basic and Applied Research in Science and Engineering | 12.630 | Federal Programs 2005-1 | 27,900 |
| <u>Passed-Through: Clarkson Aerospace</u> | | | |
| Air Force Defense Research Sciences Program | 12.800 | SUSE06S56707C1 | 213,925 |
| <u>Passed-Through: The Shaw Group</u> | | | |
| Mathematical Sciences Grants Program | 12.901 | P0291616 | 67,772 |
| Total U.S. Department of Defense | | | <u>2,171,544</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <u>Direct Awards</u> | | | |
| Historically Black Colleges and Universities | 14.520 | N/A | 235,133 |
| Total U.S. Department of Housing and Urban Development | | | <u>235,133</u> |

The accompanying notes are an integral part of these schedules.

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|---|---------------------------------------|---------------------------------------|------------------|
| <u>U.S. Department of State</u> | | | |
| <u>Direct Awards</u> | | | |
| Professional Exchanges Annual Open Grant | 19,415 | N/A | \$ 84,721 |
| Total U.S. Department of State | | | <u>84,721</u> |
| <u>U.S. Department of Transportation</u> | | | |
| <u>Direct Awards</u> | | | |
| Highway Training and Education | 20,215 | N/A | 10,056 |
| Urban Mass Transportation Grants for University Research and Training | 20,502 | N/A | 4,700 |
| Total U.S. Department of Transportation | | | <u>14,756</u> |
| <u>U. S. Department of the Treasury</u> | | | |
| <u>Direct Awards</u> | | | |
| Low-Income Taxpayer Clinics | 21,008 | N/A | 64,663 |
| Total U.S. Department of the Treasury | | | <u>64,663</u> |
| <u>National Aeronautics and Space Administration</u> | | | |
| <u>Direct Awards</u> | | | |
| Technology Transfer | 43,002 | N/A | 104,478 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| Passed-Through: Iowa State University | | | |
| Aerospace Education Services Program | 43,001 | NNG-5G146G14222501 | 39,455 |
| Passed-Through: United Negro College Fund | | | |
| Technology Transfer | 43,002 | HRD-0202178 | 14,130 |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Aerospace Education Services Program | 43,001 | N/A | 31,952 |
| Technology Transfer | 43,002 | N/A | 1,327,473 |
| Total National Aeronautics and Space Administration | | | <u>1,517,488</u> |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|--|-------------------------------------|-------------------------------------|-----------------|
| <u>Institute of Museum and Library Sciences</u> | | | |
| <u>Direct Awards</u> | | | |
| Conservation Project Support | 45.303 | N/A | \$ 16,095 |
| Total Institute of Museum and Library Sciences | | | 16,095 |
| <u>U.S. National Science Foundation</u> | | | |
| <u>Direct Awards</u> | | | |
| Education and Human Resources | 47.076 | N/A | 1,953,048 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| <u>Passed-Through: National Academy of Sciences</u> | | | |
| Engineering Grants | 47.041 | 405112 | 6,471 |
| <u>Passed-Through: Material Methods LLC</u> | 47.049 | | 95,039 |
| <u>Passed-Through: California Institute of Technology</u> | | | |
| Mathematical and Physical Sciences | 47.049 | CHE-0802907 | 82,671 |
| <u>Passed-Through: Tulane University</u> | | | |
| Education and Human Resources | 47.076 | TUL1460203 | 2,134 |
| <u>Passed-Through: Michigan Technological University</u> | | | |
| Education and Human Resources | 47.076 | 02109Z | 312,832 |
| <u>Passed-Through: University of Central Florida</u> | | | |
| Education and Human Resources | 47.076 | PO 90250 | 15,716 |
| <u>Passed-Through: The City University of New York - Hunters College</u> | | | |
| Education and Human Resources | 47.076 | HRD-0833392 | 33,959 |
| <u>Passed-Through: University of Wisconsin</u> | | | |
| Polar Programs | 47.078 | G067933 | 40,530 |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Engineering Grants | 47.041 | N/A | 24,837 |
| Mathematical and Physical Sciences | 47.049 | N/A | 842,480 |
| Total U.S. National Science Foundation | | | 3,409,717 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|--|------------------------------|------------------------------|------------|
| <u>U.S. Department of Energy</u> | | | |
| <u>Direct Awards</u> | | | |
| Office of Science Financial Assistance Program | 81.049 | N/A | \$ 193,615 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| Passed-Through: BWXT Y-12, LLC | | | |
| Renewable Energy Research and Development | 81.087 | 4300056337 | 604 |
| Passed-Through: Midwest Research Institute | | | |
| Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance | 81.117 | ACQ433623-01 | 32,593 |
| Passed-Through: Battelle Memorial Institute | | | |
| Nuclear Energy Research, Development, and Demonstration | 81.121 | 932010 | 14,300 |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Fossil Energy Research and Development | 81.089 | N/A | 58,211 |
| National Nuclear Security Administration | 81.123 | N/A | 102,573 |
| Total U.S. Department of Energy | | | 401,896 |
| <u>U.S. Department of Education</u> | | | |
| <u>Direct Awards</u> | | | |
| Higher Educational-Institutional Aid | 84.031 | N/A | 10,606,251 |
| Rehabilitation Long-Term Training | 84.129 | N/A | 423,720 |
| National Institute on Disability and Rehabilitation Research | 84.133 | N/A | 248,027 |
| Business and International Education Project | 84.153 | N/A | 87,799 |
| Capacity Building for Traditionally Underserved Populations | 84.315 | N/A | 267,130 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|-------------------------------------|-------------------------------------|-------------------|
| <u>U.S. Department of Education, Continued</u> | | | |
| <u>TRIO Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| TRIO-Talent Search | 84.044 | N/A | \$ 576,771 |
| TRIO-Upward Bound | 84.047 | N/A | 774,814 |
| TRIO-McNair Post-Baccalaureate | 84.217 | N/A | 233,287 |
| <u>Student Financial Assistance Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | N/A | 905,730 |
| Federal Family Education Loans | 84.032 | N/A | 59,421,527 |
| Federal Work-Study Program | 84.033 | N/A | 763,325 |
| Federal Pell Grant Program | 84.063 | N/A | 15,017,154 |
| Academic Competitiveness Grants | 84.375 | N/A | 331,804 |
| National Science and Mathematics Access to Retain Talent (SMART) Grants | 84.376 | N/A | 81,887 |
| Total Student Financial Assistance Cluster | | | 76,521,427 |
| Total U.S. Department of Education | | | 89,739,226 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|---|------------------------------|------------------------------|-----------|
| <u>U.S. Department of Health and Human Services</u> | | | |
| <u>Direct Awards</u> | | | |
| HIV Prevention Program for Women | 93.015 | N/A | \$ 79,876 |
| Healthy Marriage Promotion and Responsible Fatherhood | 93.086 | N/A | 146,753 |
| Advanced Education Nursing Traineeships | 93.358 | N/A | 34,228 |
| Head Start | 93.600 | N/A | 171,518 |
| <u>Research and Development Cluster</u> | | | |
| Biological Response to Environmental Health Hazards | 93.113 | N/A | (1,011) |
| Biomedical Research and Research Training | 93.859 | N/A | 323,644 |
| <u>Student Financial Assistance Cluster</u> | | | |
| Scholarships for Health Professions Students from Disadvantaged Backgrounds | 93.925 | N/A | 19,946 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| Passed-Through: Center for Public Service Communications | 93.003 | --- | 9,392 |
| Public Health and Social Services Emergency Fund | | | |
| Passed-Through: Advocate for Youth | 93.015 | --- | 14,434 |
| HIV Prevention Program for Women | | | |
| Passed-Through: Dillard University | 93.142 | 5U45ES01055108 | 124,871 |
| NIEHS Hazardous Waste Worker Health and Safety Training | | | |
| Passed-Through: National Library of Medicine | 93.213 | HHSN276200700100M | 2,444 |
| Research and Training in Complementary & Alternative Medicine | | | |
| Passed-Through: University of Kentucky Research Foundation | 93.239 | UKRF30481040 | 3,820 |
| Policy Research and Evaluation Grants | | | |
| Passed-Through: Department of Social Services | 93.558 | 663631 | 10,652 |
| Temporary Assistance for Needy Families | | | |
| Passed-Through: Foundation for the Mid-South | 93.558 | --- | 40,571 |
| Temporary Assistance for Needy Families | | | |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|--|---------------------------------------|---------------------------------------|----------------|
| <u>U.S. Department of Health and Human Services, continued</u> | | | |
| <u>Awards from a Pass-Through Entity, continued</u> | | | |
| <u>Passed-Through: McFarland and Associates</u> | | | |
| HIV Demonstration, Research, Public, and Professional Education Projects | 93,941 | MCF&A | \$ 61,553 |
| <u>Passed-Through: Louisiana Department of Social Services</u> | | | |
| Preventive Health and Health Services Block Grant | 93,991 | --- | 5,946 |
| Total U.S. Department of Health and Human Services | | | 1,048,637 |
| Total Federal Expenditures of Federal Awards | | | \$ 100,556,959 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|---|---|-----------------|
| <u>U.S. Department of Defense</u> | | | |
| <u>Direct Awards</u> | | | |
| Military Medical Research and Development | 12.420 | N/A | \$ 327,827 |
| Total U.S. Department of Defense | | | 327,827 |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <u>Direct Awards</u> | | | |
| Historically Black Colleges and Universities Program | 14.520 | N/A | 98,817 |
| Total U.S. Department of Housing and Urban Development | | | 98,817 |
| <u>U.S. National Science Foundation</u> | | | |
| <u>Direct Awards</u> | | | |
| Education and Human Resources | 47.076 | N/A | 135,556 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| Passed-Through: Tulane University | | | |
| Education and Human Resources | 47.076 | HRD-0202178 | 79,096 |
| Total U.S. National Science Foundation | | | 214,652 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|---|---|-----------------|
| <u>U.S. Small Business Administration</u> | | | |
| <u>Direct Awards</u> | | | |
| Bienville Corridor SBA Fund | 59,000 | N/A | \$ 78,397 |
| Total U.S. Small Business Administration | | | |
| 78,397 | | | |
| <u>U.S. Department of Education</u> | | | |
| <u>Direct Awards</u> | | | |
| Higher Education-Institutional Aid | 84.031B | N/A | 4,736,040 |
| Minority Science Improvement Award | 84.120A | N/A | 48,383 |
| <u>TRIO Cluster</u> | | | |
| TRIO-Student Support Services | 84.042A | N/A | 236,823 |
| TRIO-Talent Search | 84.044A | N/A | 400,401 |
| TRIO- Upward Bound | 84.047A | N/A | 430,354 |

The accompanying notes are an integral part of these schedules.

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|---|---|----------------------|
| <u>U.S. Department of Education, Continued</u> | | | |
| <u>Student Financial Assistance Cluster</u> | | | |
| Federal Pell Grant Program | 84.063 | N/A | \$ 5,944,386 |
| Federal Supplemental Educational Opportunity Grants | 84.007 | N/A | 91,782 |
| Federal Family Education Loans | 84.032 | N/A | 15,730,717 |
| Federal Work-Study Program | 84.033 | N/A | 239,968 |
| Academic Competitiveness Grants | 84.375 | N/A | 21,349 |
| National Science and Mathematics Access To Retain Talent | 84.376 | N/A | 8,250 |
| Total U.S. Department of Education | | | <u>27,888,453</u> |
| <u>U.S. Department of Health and Human Services</u> | | | |
| <u>Direct Awards</u> | | | |
| Family Domestic Violence Prevention Services | 93.000 | N/A | 19,683 |
| <u>Awards from a Pass-Through Entity</u> | | | |
| Passed-Through: Office of Metropolitan Services | | | |
| National Center for Research Resources | 93.389 | 655294 | <u>95,799</u> |
| Total U.S. Department of Health and Human Services | | | <u>115,482</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 28,723,628</u> |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|-------------------------------------|-------------------------------------|-----------------|
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <u>Direct Awards</u> | | | |
| Housing and Urban Development | 14.237 | -- | \$ 14,132 |
| Historically Black Colleges and Universities Program | 14.520 | -- | 225,093 |
| Total U.S. Department of Housing and Urban Development | | | <u>239,225</u> |
| <u>U.S. Department of Labor</u> | | | |
| <u>Direct Awards</u> | | | |
| WIA Pilots, Demonstrations, and Research Projects | 17.261 | -- | 481,020 |
| Total U.S. Department of Labor | | | <u>481,020</u> |
| <u>U.S. National Science Foundation</u> | | | |
| <u>Direct Awards</u> | | | |
| Education and Human Resources | 47.076 | -- | 88,778 |
| Total U.S. National Science Foundation | | | <u>88,778</u> |
| <u>U.S. Environmental Protection Agency</u> | | | |
| <u>Direct Awards</u> | | | |
| Brownfield Job Training Cooperative Agreements | 66.815 | -- | 98,795 |
| Total U.S. Environmental Protection Agency | | | <u>98,795</u> |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Pass Through Entity's Number</u> | <u>Activity</u> |
|---|---|---|-------------------|
| <u>U.S. Department of Education</u> | | | |
| <u>Direct Awards</u> | | | |
| Higher Education-Institutional Aid | 84.031 | -- | \$ 3,774,910 |
| <u>TRIO Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| TRIO-Student Support Services | 84.042A | -- | 374,119 |
| TRIO-Talent Search | 84.044A | -- | 392,163 |
| TRIO-Upward Bound | 84.047A | -- | 1,077,263 |
| TRIO-Educational Opportunities Centers | 84.066A | -- | 227,767 |
| <u>Student Financial Assistance Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | -- | 124,314 |
| Federal Family Education Loans | 84.032 | -- | 4,779,170 |
| Federal Work-Study Program | 84.033 | -- | 240,694 |
| Federal Pell Grant Program | 84.063 | -- | 5,463,980 |
| Academic Competitiveness Grants | 84.375 | -- | 36,607 |
| Total U.S. Department of Education | | | <u>16,490,987</u> |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Pass Through Entity's Number | Activity |
|---|---------------------------------------|---------------------------------------|---------------|
| <u>U.S. Department of Health and Human Services</u> | | | |
| <u>Research and Development Cluster</u> | | | |
| <u>Direct Awards</u> | | | |
| Minority Health and Health Disparities Research | 93.307 | -- | \$ 345,784 |
| Total U.S. Department of Health and Human Services | | | 345,784 |
| Total Expenditures of Federal Awards | | | \$ 17,744,589 |

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - GENERAL:

The **Southern University System (the University)** is a publicly supported institution of higher education. **The University** is a political subdivision of the State of Louisiana, as defined by Government Accounting Standards Board Statement Number 14 within the Executive Branch of government, under the management and supervision of the Southern University Board of Supervisors. However, the annual budget of **the University** and proposed changes to the degree programs, departments of instruction, et cetera, require the approval of the Board of Regents. The Board of Supervisors is comprised of 17 members appointed for a six-year term by the Governor with the consent of the Senate, and one student member appointed for a one-year term by a council composed of the student body presidents of **the University**. As a State agency, operations of **the University's** instructional programs are funded through annual lapsing appropriations made by the Louisiana Legislature.

The Southern University System is comprised of four separate agencies. These agencies are :

Board and System Administration;
Baton Rouge Campus;
New Orleans Campus; and
Shreveport-Bossier City Campus.

The accompanying Schedules of Expenditures of Federal Awards (the Schedules) presents the activity of all federal financial assistance programs administered by the **Southern University System**. All expenditures of federal awards received directly from federal agencies and pass-through entities are included on the Schedules. Because the Schedules present only a selected portion of the activities of the System, it is not intended to and does not present either the financial position, changes in fund balances, or the current funds revenues, expenditures, and other changes of **the University**.

Annually, the State of Louisiana issues a Schedule of Expenditures of Federal Awards, which includes the activity contained in the accompanying Schedules of Expenditures of Federal Awards.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 2 - BASIS OF ACCOUNTING AND PRESENTATION:

The accompanying Schedules of Expenditures of Federal Awards are presented using the modified accrual basis of accounting which is described in the notes to **the University's** component unit financial statements which are audited by the Legislative Auditors. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

All federal grant expenditures, except Cooperative Extension (CFDA Number 10.500) and Payments to 1890 Land Grant Colleges and Tuskegee University (CFDA Number 10.205), are accounted for in the Current Funds-Restricted of the respective agency of **the University**. Grant expenditures relative to Cooperative Extension and Payments to 1890 Land Grant Colleges are accounted for in the Current Funds-Unrestricted of the Baton Rouge Campus. However, for purposes of reporting expenditures of federal awards, such transactions are reported in the Schedules of Expenditures of Federal Awards - Board and System Administration and the Baton Rouge Campus.

The accompanying Schedules of Expenditures of Federal Awards has been prepared in the format as set forth in OMB Circular A-133 and the related Compliance Supplement. The purpose of the Schedule of Expenditures of Federal Awards is to present a summary of those activities of the **Southern University System** for the year ended June 30, 2009, which have been financed principally by the U. S. Government (federal awards). For purposes of the schedules, federal awards include all federal assistance and procurement relationships entered into directly between **the University** and the federal government and sub-awards from non-federal organizations made under federally sponsored agreements. Because the Schedules present only a selected portion of the activities of **the University**, it is not intended to and does not present either the financial position, changes in fund balances or the current fund's revenues, expenditures, and other changes of **the University**.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

**NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS):**

The Perkins Loan Program, (the Program) formerly the National Direct Student Loan Program, is operated by the University under an agreement with the United States Department of Education. Each campus within the University maintains its own separate Loan Fund. The accounts of each Program are included among the Loan Funds for each campus within the University.

During the current fiscal year, Campus Partners, formerly AMS Servicing Group an outside service center, provided billing and collection services on behalf of the Baton Rouge and Shreveport-Bossier City Campuses.

The Shreveport-Bossier City and Baton Rouge Campuses did not disburse any loans to students during the year ended June 30, 2009. Additionally, the campuses did not receive any federal capital contributions during the year ended June 30, 2009. The New Orleans Campus has discontinued the Perkins Loan program and has repaid the Federal Fund Capital to the U.S. Department of Education.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

**NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED**

BATON ROUGE CAMPUS

Listed below is a brief summary of the loan activity as taken from the unaudited records for each campus:

| | Period from Inception to June 30, 2009 <u>(Unaudited)</u> | For the Year Ended <u>June 30, 2009</u> |
|-------------------------------------|--|---|
| <u>Contributions</u> | | |
| Federal | \$ 6,616,617 | \$ -0- |
| University | <u>735,180</u> | <u>-0-</u> |
| Total | <u>\$ 7,351,797</u> | <u>\$ -0-</u> |
| <u>Repayments of Fund Capital</u> | | |
| Federal | \$ 2,092,551 | \$ -0- |
| University | <u>232,505</u> | <u>-0-</u> |
| Total | <u>\$ 2,325,056</u> | <u>\$ -0-</u> |
| <u>Analysis of Loans Receivable</u> | | |
| Balance, 07/01/08 | \$ -0- | \$ 1,596,732 |
| Funds advanced/adjustments | <u>9,942,682</u> | <u>-0-</u> |
| Total | <u>9,942,682</u> | <u>1,596,732</u> |
| Less: Credits | | |
| Collections | 4,906,548 | 17,808 |
| Cancellations- | | |
| Teaching service\military | 561,757 | -0- |
| Death\disability | 54,631 | -0- |
| Bankruptcy | 89,978 | -0- |
| Defaulted loan principal | | |
| assigned to Government | 2,713,335 | -0- |
| Allowance for doubtful accounts | 1,578,924 | 1,578,924 |
| Other adjustments | <u>37,509</u> | <u>-0-</u> |
| Total credits | <u>9,942,682</u> | <u>1,596,732</u> |
| Balance 06/30/09 | <u>\$ -0-</u> | <u>\$ -0-</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED

SHREVEPORT-BOSSIER CAMPUS

| | Period from Inception to June 30, 2009 <u>(Unaudited)</u> | For the Year Ended <u>June 30, 2009</u> |
|---------------------------------------|--|---|
| <u>Contributions</u> | | |
| Federal | \$ 941,904 | \$ -0- |
| University | <u>104,656</u> | <u>0-</u> |
| Total | \$ <u>1,046,560</u> | \$ <u>-0-</u> |
| <u>Repayments of Fund Capital</u> | | |
| Federal | \$ 417,278 | \$ -0- |
| University | <u>44,564</u> | <u>-0-</u> |
| Total | \$ <u>461,842</u> | \$ <u>-0-</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 3 - **PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED**

SHREVEPORT-BOSSIER CAMPUS

| | Period from Inception to June 30, 2009 <u>(Unaudited)</u> | For the Year Ended <u>June 30, 2009</u> |
|---|--|---|
| <u>Analysis of Loans Receivable</u> | | |
| Balance, 07/01/08 | \$ -0- | \$ 450,245 |
| Funds advanced | <u>1,364,255</u> | <u>-0-</u> |
| Total | <u>1,364,255</u> | <u>450,245</u> |
| Less: | | |
| Collections | 787,757 | 5,138 |
| Cancellations-- | | |
| Teaching service | 3,795 | -0- |
| Death/Disability | 15,371 | -0- |
| Bankruptcy | 12,694 | -0- |
| Other | 9,727 | -0- |
| Defaulted loan principal assigned to Federal Government | <u>89,804</u> | <u>-0-</u> |
| Total credits | <u>919,148</u> | <u>5,138</u> |
| Balance, 06/30/09 | \$ <u>445,107</u> | \$ <u>445,107</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 4 - PELL GRANT PROGRAM:

The Pell Grant program provides eligible students with a foundation of financial aid to help defray the costs of post-secondary education. The University receives direct payment from the U.S. Department of Education for allowable administrative costs.

During the year ended June 30, 2009, each campus disbursed the following amounts for Pell Grants for the prior and current year, and received the following direct payments from the U.S. Department of Education for allowable administrative costs.

| <u>Pell Campus</u> | <u>Expenditures</u> | <u>Administrative Cost Recovery</u> |
|-------------------------|---------------------|---|
| Baton Rouge | <u>\$15,017,154</u> | <u>\$ 21,975</u> |
| New Orleans | <u>\$ 5,944,386</u> | <u>\$ 7,780</u> |
| Shreveport-Bossier City | <u>\$ 5,463,980</u> | <u>\$ 11,060</u> |

NOTE 5 - FEDERAL FAMILY EDUCATION LOAN PROGRAM:

The Student Loan Programs enable eligible students to borrow directly from a bank or other lending institutions, and a portion of the loan is guaranteed by the Federal Government. The loan activity is not required to be recorded in the accounting records of the University. During the year ended June 30, 2009, the following amounts were disbursed by each campus for the Federal Family Education Loan Program:

| | <u>Federal Family Education Loan Amount</u> |
|-------------------------|---|
| Baton Rouge | <u>\$59,421,527</u> |
| New Orleans | <u>\$15,730,717</u> |
| Shreveport-Bossier City | <u>\$ 4,779,170</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 6 - COLLEGE WORK-STUDY PROGRAM:

The University established the College Work-Study (CWS) Program pursuant to Title IV, Part C of the Higher Education Act of 1965, as amended. During the year ended June 30, 2009, the following amounts were disbursed by each campus for the CWS Program:

| <u>Description</u> | <u>Amount</u> |
|--|-------------------|
| <u>Baton Rouge Campus</u> | |
| Federal expenditures | \$ 726,976 |
| Administrative costs | <u>36,349</u> |
| Sub-total | 763,325 |
| Institutional matching | <u>-0-</u> |
| Total | \$ <u>763,325</u> |
| <u>New Orleans Campus</u> | |
| Federal expenditures | \$ 228,541 |
| Administrative costs | <u>11,427</u> |
| Sub-total | 239,968 |
| Institutional matching | <u>-0-</u> |
| Total | \$ <u>239,968</u> |
| <u>Shreveport-Bossier City Campus</u> | |
| Federal expenditures | \$ 229,274 |
| Administrative costs | <u>11,420</u> |
| Sub-total | 240,694 |
| Institutional matching | <u>-0-</u> |
| Total | \$ <u>240,694</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 6 - COLLEGE WORK-STUDY PROGRAM, CONTINUED:

The Baton Rouge, New Orleans and Shreveport-Bossier City Campuses elected and received approval from the U.S. Department of Education to waive the institutional matching requirement for the College Work-Study Program's approved funding level for the fiscal year ended June 30, 2009. Each campus was entitled to this waiver because of its participation in the Strengthening Historically Black Colleges Title III Program.

NOTE 7 - FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS:

The Federal Supplemental Educational Opportunity Grants (FSEOG) Program was established at the University in 1965 under Title IV, Part A of the Higher Education Act of 1965, as amended. During the year ended June 30, 2009. The following amounts were disbursed by each campus for the FSEOG Program:

| <u>Description</u> | <u>Amount</u> |
|--|--------------------------|
| <u>Baton Rouge Campus</u> | |
| Federal expenditures | \$ 867,602 |
| Administrative costs | <u>38,128</u> |
| Sub-total | 905,730 |
| Institutional matching | <u>-0-</u> |
| Total | <u>\$ 905,730</u> |
| <u>New Orleans Campus</u> | |
| Federal expenditures | \$ 87,411 |
| Administrative costs | <u>4,371</u> |
| Sub-total | 91,782 |
| Institutional matching | <u>-0-</u> |
| Total | <u>\$ 91,782</u> |
| <u>Shreveport-Bossier City Campus</u> | |
| Federal expenditures | \$ 118,693 |
| Administrative costs | <u>5,621</u> |
| Sub-total | 124,314 |
| Institutional matching | <u>-0-</u> |
| Total | <u>\$ 124,314</u> |

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 8 - STATE EXPENDITURES - PREVENTIVE MAINTENANCE:

As provided by Louisiana Revised Statute 17:3886(A), **the University** adopted a building and facility preventive maintenance program which was approved by the Louisiana Board of Regents. This program allows **the University** to retain any funds appropriated or allocated, which were unexpended and unobligated at the end of the fiscal year.

NOTE 9 - AGENCY FUNDS:

This fund group represents funds for which **the University** acts as custodian or fiscal agent on behalf of others, such as student or faculty organizations and workshops.

NOTE 10 - CONTINGENCIES:

Participation in Grant/Loan Programs

The University administers and participates in certain federal and state programs as disclosed in the Schedules of Expenditures of Federal Awards. In connection with the administration and operations of these programs, **the University** is to expend grant funds, and allocations in accordance with program guidelines and regulations. However, should **the University** have operated/administered the programs and/or grants in a manner which would be in noncompliance with the guidelines and regulations, **the University** may be required by funding sources to repay some portion or all of the grant award.

The audit disclosed certain items or transactions as questioned costs. The accompanying Schedules of Expenditures of Federal Awards have not been adjusted for those items. The ultimate resolution or determination as to whether the costs will be allowable or unallowable under the affected grants will be made by the related agencies and the various funding sources.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 11 - MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS:

The Southern University System's major federal financial assistance programs for the year ended June 30, 2009 were determined on a state level based upon program update activity. Such programs are the Student Financial Assistance Cluster, Research and Development Clusters, Foster Care - Title IV-E, the Scholarships for Students from Disadvantaged Backgrounds, Temporary Assistance for Needy Families, Improving Teacher Quality State Grants, Higher Education - Institutional Aid, Workforce Investment Act - Youth Activities, and Child Care and Development Block Grant.

NOTE 12 - SUPPLEMENTARY FINANCIAL INFORMATION:

The Schedules of Disclosures for Federally Assisted Loans summarizes the amount of loans made or disbursed during the year for the Federal Family Education Loan, William D. Ford Federal Direct Loan Program, College Housing Facilities Loans, and the Perkins Loan. Additionally, the Schedules summarize the amount of principal and interest canceled (military and teacher) for the National Defense/Perkins Loan Program.

The Schedules of Fixed Price Contracts summarizes the total amount of revenues received and expenses disbursed under fixed-price contracts.

The Schedules of Non-Federal Expenditures and Disbursements sets forth the program expenditures and disbursements funded by the State of Louisiana and private sources.

The Schedules of Secondary Subrecipients of Major Federal Programs represent disbursements of major program funds to non-State of Louisiana subrecipients.

The Schedules of State Agency/University Subrecipients of Federal Programs represent disbursement of federal funds to State of Louisiana agencies.

The Schedules of Interagency Expenditures of Federal Awards summarizes federal expenditures financed by the State of Louisiana with funds received from the federal government.

SUPPLEMENTARY DATA

SCHEDULE I

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2009**

| Program Name | Federal CFDA Number | Loans Disbursed | Outstanding Loan Balance | Principal and Interest |
|---|------------------------------------|----------------------------|---|---------------------------------------|
| Federal Family Education Loans | 84.032 | \$ <u>0</u> | N/A | N/A |
| National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72 | 84.037 | \$ <u>0</u> | N/A | N/A |
| Federal Perkins Loans | 84.038 | \$ <u>0</u> | N/A | N/A |
| College Housing and Other Educational Facilities Loans | 84.142 | \$ <u>0</u> | N/A | N/A |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE II

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2009**

| <u>Program Name</u> | <u>Federal CFDA Number</u> | <u>Loans Disbursed</u> | <u>Outstanding Loan Balance</u> | <u>Principal and Interest</u> |
|---|------------------------------------|----------------------------|---|---------------------------------------|
| Federal Family Education Loans | 84.032 | \$ <u>59,421,527</u> | N/A | N/A |
| National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72 | 84.037 | \$ <u>0</u> | N/A | N/A |
| Federal Perkins Loans | 84.038 | \$ <u>0</u> | N/A | N/A |
| College Housing and Other Educational Facilities Loans | 84.142 | \$ <u>0</u> | N/A | N/A |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2009**

| Program Name | Federal CFDA Number | Loans Disbursed | Outstanding Loan Balance | Principal and Interest |
|---|------------------------------------|----------------------------|---|---------------------------------------|
| Federal Family Education Loans | 84.032 | \$ <u>15,730,717</u> | N/A | N/A |
| National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72 | 84.037 | \$ <u>.0</u> | N/A | N/A |
| Federal Perkins Loans | 84.038 | \$ <u>0</u> | N/A | N/A |
| College Housing and Other Educational Facilities Loans | 84.142 | \$ <u>0</u> | N/A | N/A |
| William D. Ford Federal Direct | 84.268 | \$ <u>0</u> | N/A | N/A |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE IV

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2009

| Program Name | Federal CFDA Number | Loans Disbursed | Outstanding Loan Balance | Principal and Interest |
|---|---------------------------|--------------------|--------------------------------|------------------------------|
| Federal Family Education Loans | 84.032 | \$ 4,779,170 | N/A | N/A |
| National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72 | 84.037 | \$ 0 | N/A | N/A |
| Federal Perkins Loans | 84.038 | \$ 0 | N/A | N/A |
| College Housing and Other Educational Facilities Loans | 84.142 | \$ 0 | N/A | N/A |
| William D. Ford Federal Direct | 84.268 | \$ 0 | N/A | N/A |

See Independent Auditors' Report on Supplementary Information.

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2009**

| <u>Program Name</u> | <u>Federal CFDA Number</u> | <u>Grantor</u> | <u>Project Name</u> | <u>Award I.D. Number</u> | <u>Award Period</u> | <u>Revenues</u> | <u>Expenditures</u> |
|---------------------|------------------------------------|----------------|---------------------|------------------------------|-------------------------|-----------------|---------------------|
| (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |

(1) Southern University - Board and System Administration did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2009**

| Program Name | Federal CFDA Number | Grantor | Pass Through Entity | Award ID Number | Revenues |
|--|---------------------------|----------------------------|-------------------------------|-----------------|---------------------|
| Emergency Operations Flood Response and Post Flood Response | 12.103 | U.S. Department of Defense | N/A | W912P807D000 | \$ 187,643 |
| Emergency Operations Flood Response and Post Flood Response | 12.103 | U.S. Department of Defense | N/A | W912P807D001 | 160,222 |
| Flood Plain Management Services | 12.104 | U.S. Department of Defense | N/A | W912P807D000 | 99,710 |
| Flood Plain Management Services | 12.104 | U.S. Department of Defense | N/A | W912P908D050 | 71,698 |
| Flood Plain Management Services | 12.104 | U.S. Department of Defense | Shaw Environmental | PO410048 | 36,470 |
| Collaborative Research and Development | 12.114 | U.S. Department of Defense | N/A | W912P807D001 | 107,153 |
| Basic and Applied Scientific Research | 12.300 | U.S. Department of Defense | Tetra Tech | 1020877 | 112,477 |
| Basic and Applied Scientific Research | 12.300 | U.S. Department of Defense | Shaw Environmental | P400255 | 20,531 |
| Basic and Applied Scientific Research | 12.300 | U.S. Department of Defense | Earth Tech | 09S-12542-M | 189,588 |
| Basic Scientific Research | 12.431 | U.S. Department of Defense | N/A | W912P803D001 | 45,677 |
| Basic Scientific Research | 12.431 | U.S. Department of Defense | N/A | W911NF071042 | 110,124 |
| Basic Scientific Research | 12.431 | U.S. Department of Defense | N/A | W911NF081041 | 66,204 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | U.S. Department of Defense | N/A | W912P807D000 | 119,733 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | U.S. Department of Defense | Shaw Environmental | PO339427 | 34,086 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | U.S. Department of Defense | CH2M/HILL | PO 909752 | 126,417 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | U.S. Department of Defense | Michael Baker, Jr. Inc. | 111626-412 | 27,900 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | U.S. Department of Defense | Tetra Tech | 1000698 | 10,623 |
| Mathematical Sciences Grants Program | 12.901 | U.S. Department of Defense | Shaw Environmental | 217812OP | 67,773 |
| Renewable Energy Research and Development | 81.087 | U.S. Department of Energy | BWXT Y-12, LLC | FEDERALPROG | 604 |
| Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis Assistance | 81.117 | U.S. Department of Energy | National Renewable Energy Lab | ACQ-4-33623-01 | 32,593 |
| Nuclear Energy Research, Development, and Demonstration | 81.121 | U.S. Department of Energy | Battelle Memorial Institute | 932010 | 14,300 |
| Total Schedule of Fixed-Price Contracts | | | | | \$ 1,641,526 |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VII

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2009

| Program Name | Federal CFDA Number | Grantor | Project Name | Award I.D. Number | Award Period | Revenues | Expenditures |
|--------------|---------------------------|---------|--------------|----------------------|-----------------|----------|--------------|
| (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |

(1) Southern University - New Orleans Campus did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VII

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2009**

| Program Name | Federal CFDA Number | Grantor | Project Name | Award I.D. Number | Award Period | Revenues | Expenditures |
|--------------|---------------------------|---------|--------------|----------------------|-----------------|----------|--------------|
| (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |

(1) Southern University - Shreveport - Bossier City Campus did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE IX

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|------------------------|---|---------------------|-----------------|-----------------------------------|
| (1) | (1) | (1) | (1) | (1) |

(1) Southern University - Board and System did not disburse any funds under terms of non-state subrecipients during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|--------------------------------|------------------------------|--|----------|--|
| U.S. Department of Agriculture | 10.500 | Cooperative Extension Service | \$ 3,200 | University of Ghana |
| U.S. Department of Agriculture | 10.901 | Resources Conservation and Development | 56,400 | East Arkansas Enterprise |
| U.S. Department of Defense | 12.103 | Emergency Operations Flood Response and Post Flood Response | 232,821 | Shaw Environmental |
| U.S. Department of Defense | 12.104 | Flood Plain Management Services | 35,314 | Microbac Laboratories, Inc |
| U.S. Department of Defense | 12.104 | Flood Plain Management Services | 1,157 | TestAmerica Laboratory |
| U.S. Department of Defense | 12.104 | Flood Plain Management Services | 99,710 | HDR Engineering, Inc |
| U.S. Department of Defense | 12.104 | Flood Plain Management Services | 15,578 | The National Great Rivers Research and Education |
| U.S. Department of Defense | 12.114 | Collaborative Research and Development | 85,649 | HDR Engineering, Inc |
| U.S. Department of Defense | 12.104 | Flood Plain Management Services | 37,242 | Mel, Incorporated |
| U.S. Department of Defense | 12.300 | Basic and Applied Scientific Research | 5,027 | Environmental Resource Associates |
| U.S. Department of Defense | 12.300 | Basic and Applied Scientific Research | 10,258 | The University of Texas |
| U.S. Department of Defense | 12.300 | Basic and Applied Scientific Research | 297,038 | TestAmerica Laboratory |
| U.S. Department of Defense | 12.300 | Basic and Applied Scientific Research | 20,531 | EMAX Laboratories |
| U.S. Department of Defense | 12.630 | Basic, Applied, and Advanced Research in Science and Engineering | 33,605 | Mel, Incorporated |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|---|------------------------------|--|-----------|------------------------------------|
| U.S. Department of Defense | 12.630 | Basic, Applied, and Advanced Research in Science and Engineering | \$ 26,248 | GFL Laboratories, LLC |
| U.S. Department of Defense | 12.630 | Basic, Applied, and Advanced Research in Science and Engineering | 166,838 | TestAmerica Laboratory |
| U.S. Department of Defense | 12.901 | Mathematical Sciences Grants Program | 1,790 | PDC Labs/Environmetrics |
| U.S. Department of Defense | 12.901 | Mathematical Sciences Grants Program | 49,343 | TestAmerica Laboratory |
| U.S. Department of Housing and Urban Development | 14.520 | Historically Black Colleges and Universities Program | 900 | Young Real Estate Group, LLC |
| U.S. Department of Housing and Urban Development | 14.520 | Historically Black Colleges and Universities Program | 8,500 | City of Baton Rouge |
| U.S. Department of Housing and Urban Development | 14.520 | Historically Black Colleges and Universities Program | 2,500 | Israelite Baptist Church |
| U.S. Department of Housing and Urban Development | 14.520 | Historically Black Colleges and Universities Program | 15,000 | Urban Restoration Enhancement Corp |
| U.S. Department of State Bureau of Educational and Cultural Affairs | 19.415 | Professional and Cultural Exchange Programs - Citizen Exchanges | 51,619 | Makerere University |
| National Aeronautics and Space Administration | 43.002 | Technology Transfer | 21,837 | Smithsonian Astrophysics |
| U.S. National Science Foundation | 47.041 | Engineering Grants | 1,538 | University of Wyoming |
| U.S. National Science Foundation | 47.049 | Mathematical and Physical Sciences | 6,453 | Inverness Research |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|--|------------------------------|--|--------------|---|
| U.S. National Science Foundation | 47.049 | Mathematical and Physical Sciences | \$ 25,060 | University of Massachusetts |
| U.S. National Science Foundation | 47.076 | Education and Human Resources | 54,093 | Carnegie Learning, Inc |
| U.S. Department of Energy | 81.089 | Fossil Energy Research and Development | 15,000 | Material Solution |
| U.S. Department of Energy | 81.089 | Fossil Energy Research and Development | 9,797 | Pennsylvania State University |
| U.S. Department of Education | 84.133 | National Institute on Disability and Rehabilitation Research | 49,764 | East Carolina University |
| U.S. Department of Education | 84.133 | National Institute on Disability and Rehabilitation Research | 18,778 | The Institute for Rehabilitation and Research |
| U.S. Department of Education | 84.133 | National Institute on Disability and Rehabilitation Research | 3,678 | The University of Memphis |
| U.S. Department of Health and Human Services | 93.859 | Biomedical Research and Research Training | 198,843 | North Carolina A&T State University |
| Total | | | \$ 1,661,109 | |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XI

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|----------------------------------|-------------------------------------|---------------------|-----------------|-------------------------------|
| U.S. National Science Foundation | 47.041 | Engineering Grants | \$ 79,096 | University of Wyoming |
| | Total | | \$ 79,096 | |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XII

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | Secondary Subrecipient |
|------------------------|-------------------------------------|---------------------|-----------------|-------------------------------|
| (1) | (1) | (1) | (1) | (1) |

(1) Southern University - Shreveport-Bossier City Campus - did not disburse any major federal program funds to secondary subrecipients during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XIII

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | State Agency or University Subrecipient |
|------------------------|---|---------------------|-----------------|--|
|------------------------|---|---------------------|-----------------|--|

| | | | | |
|-----|-----|-----|-----|-----|
| (1) | (1) | (1) | (1) | (1) |
|-----|-----|-----|-----|-----|

(1) Southern University - Board and System Administration - did not disburse any federal program funds to state agency/university subrecipients during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XIV

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | State Agency or University Subrecipient |
|----------------------------------|-------------------------------------|--|-------------------|--|
| U.S. Department of Agriculture | 10.216 | 1890 Institution Capacity Building Grants | \$ 3,832 | Louisiana State University |
| U.S. Department of Defense | 12.300 | Basic and Applied Scientific Research | 408 | Louisiana State University |
| National Aeronautics and Space | 43.002 | Technology Transfer | 213,931 | Louisiana State University |
| U.S. National Science Foundation | 47.049 | Mathematical and Physical Sciences | 7,765 | Louisiana Board of Regents |
| U.S. National Science Foundation | 47.076 | Education and Human Resources | 49,360 | Louisiana State University |
| U.S. Department of Energy | 81.123 | National Nuclear Security Administration Minority Serving Institutions Program | 51,126 | Louisiana State University |
| Total | | | \$ 326,422 | |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XV

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | State Agency or University Subrecipient |
|----------------------------|---------------------------------------|---|------------|---|
| U.S. Department of Defense | 12.420 | Military Medical Research and Development | \$ 383,957 | Louisiana State University |

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XVI

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2009**

| Federal Grantor | Federal CFDA or Other Number | Program Name | Activity | State Agency or University Subrecipient |
|------------------------|---|---------------------|-----------------|--|
| (1) | (1) | (1) | (1) | (1) |

(1) Southern University - Shreveport-Bossier City Campus - did not disburse any federal program funds to state agency/university subrecipients during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XVII

SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| Federal Grantor/Program Name | Federal CFDA or Other Number | Primary State Agency | Activity |
|------------------------------|---------------------------------------|----------------------|----------|
| (1) | (1) | (1) | (1) |

(1) Southern University - Board and System did have any interagency expenditures of federal awards during the year ended June 30, 2009.

See Independent Auditors' Report on Supplementary Information.

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Primary State Agency</u> | <u>Activity</u> |
|---|---|---|-----------------|
| U.S. Department of Agriculture - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | Louisiana Department of Social Services | \$ 254,126 |
| U.S. Department of Agriculture - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.960 | Louisiana State University | 43,074 |
| U.S. Department of Transportation - Highway Training and Education | 20.215 | Louisiana Department of Transportation | 30,113 |
| National Aeronautics and Space Administration - Aerospace Education Services | 43.001 | Louisiana State University | 62,007 |
| National Aeronautics and Space Administration - Aerospace Education Services | 43.002 | Louisiana Board of Regents | 19,215 |
| U.S. National Science Foundation - Modeling Inquiry SC | 47.049 | Louisiana Board of Regents | 398,184 |
| U.S. National Science Foundation - Education and Human Services | 47.076 | Louisiana State University | 12,735 |
| U.S. National Science Foundation - Education and Human Services | 47.076 | Louisiana Board of Regents | 17,500 |
| U.S. National Science Foundation - Office of Cyberinfrastructure | 47.080 | Louisiana Board of Regents | 64,512 |
| U.S. National Science Foundation - The LONI Institute | 47.000 | Louisiana State University | 117,508 |
| U.S. Small Business Administration - Small Business Development Center | 59.037 | University of Louisiana at Monroe | 155,179 |
| U.S. Department of Energy - Used Energy-Related Laboratory Equipment Grants | 81.022 | Louisiana Board of Regents | 19,724 |
| U.S. Department of Energy - Office of Science Financial Assistance Program | 81.049 | Louisiana Board of Regents | 24,886 |
| Clean Power & Energy | 81.119 | Nicholls State University | 45,287 |
| U.S. Department of Education - TRIO - Upward Bound | 84.047 | Louisiana Department of Education | 14,639 |
| U.S. Department of Education - Gaining Early Awareness and Readiness for Undergraduate Programs | 84.334 | Louisiana State University - Board of Regents | 17,658 |
| U.S. Department of Education - Improving Teacher Quality State Grants | 84.367 | Louisiana Board of Regents | 109,943 |
| U.S. Department of Health and Human Services - National Center for Research Resources | 93.389 | Louisiana State University | 356,274 |

See Independent Auditors' Report on Supplementary Information.

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Primary State Agency</u> | <u>Activity</u> |
|---|---|---|---------------------|
| U.S. Department of Health and Human Services - Temporary Assistance for Needy Families | 93.558 | Louisiana Department of Social Services | 1,841,669 |
| U.S. Department of Health and Human Services - The Clisholm Project | 93.569 | Louisiana Department of Health and Human Services | 37,199 |
| U.S. Department of Health and Human Services - Child Care and Development Block Grant | 93.575 | Southeastern Louisiana University | 15,543 |
| U.S. Department of Health and Human Services - Foster Care - Title IV-E | 93.658 | Louisiana Department of Social Services | 132,359 |
| U.S. Department of Health and Human Services - Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | Louisiana Department of Health and Human Services | 91,561 |
| U.S. Department of Homeland Security - Hurricane Gustav Rec | 97.036 | FEMA | 321,893 |
| U. S. Department of Homeland Security - Pre-Disaster Mitigation Disaster Resistant Universities | 97.063 | Louisiana Military Department | 2 |
| U.S. Department of Education - Ready Campus Course | 84.Unknown | Southeastern Louisiana University | 21,250 |
| U.S. Department of Education - Emergency Response | 84.Unknown | Southeastern Louisiana University | 11,191 |
| Total Interagency Expenditures of Federal Awards | | | \$ 4,235,231 |

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Primary State Agency</u> | <u>Activity</u> |
|---|---|--|--------------------------|
| U.S. Department of Housing and Urban Development- Community Development Block Grants (5-28104) | 14.520 | LA Department of Economic Development | \$ 51,325 |
| U.S. National Science Foundation- Louisiana Alliance for Minority Participants- NSF Portion (5-28027) | 47.076 | LA Board of Regents | 16,851 |
| U.S. Small Business Administration - Small Business Development Centers | 59.037 | LA Small Business Development Center | 29,680 |
| U.S. Department of Health and Human Services - Basic Elderly Crisis (5-27087 & 5-27095 & 5-27097) | 93.389 | LA Department of Health and Hospitals, Office of Mental Health | 426,930 |
| U.S. Department of Health and Human Services- Foster Care Title IV-E (5-27093 & 5-27094) | 93.658 | LA Department of Social Services, Office of Community Services | <u>98,675</u> |
| Total Interagency Expenditures of Federal Awards | | | \$ <u>623,461</u> |

See Independent Auditors' Report on Supplementary Information.

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS**
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

| <u>Federal Grantor/Program Name</u> | <u>Federal CFDA or Other Number</u> | <u>Primary State Agency</u> | <u>Activity</u> |
|--|---|---|-------------------|
| U.S. Department of Housing and Urban Development - Community Block Grant | 14.218 | City of Shreveport | \$ 69,619 |
| U.S. Department of Labor-WIA Youth Activities | 17.259 | City of Shreveport | 145,579 |
| U.S. National Science Foundation-Education & Human Resources | 47.076 | LA Board of Regents | 12,764 |
| U. S. Department of Education - Vocational Education - Basic Grants to States | 84.048A | LA Community & Technical College System | 490,836 |
| U.S. Department of Health and Human Services NIEHS Superfund Hazardous Waste Worker Health and Safety Training | 93.142 | OAI, Inc | 795 |
| U.S. Department of Health and Human Services-Temporary Assistance for Needy Families | 93.558 | LA Department of Education | 48,002 |
| U.S. National Institutes of Health-Biomedical Research and Research Training | 93.859 | Grambling State University | 6,225 |
| Total Interagency Expenditures of Federal Awards | | | \$ 773,820 |

See Independent Auditors' Report on Supplementary Information.

Sean M. Bruno
Certified Public Accountants

Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Dr. Kassie Freeman, Interim President
Southern University System
Baton Rouge, Louisiana 70813

I have audited the Schedule of Expenditures of Federal Awards of the **Southern University System (the University)** as of and for the year ended June 30, 2009, and have issued my report thereon dated March 19, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of this report issuance date.

Internal Control Over Financial Reporting

In planning and performing my audit, except for the functions performed at the University's Service Bureau in connection with processing transactions for the NDSL/Perkins program and Nursing Student Loan Program, I considered the University's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the University's internal control over financial reporting.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

Internal Control Over Financial Reporting, Continued

For the information system internal control categories at the Service Bureau, another accountant performed procedures to obtain reasonable assurance about whether (1) the description of controls related to the System III Loan Servicing System application of Campus Partners' present fairly, in all material respects, the aspects of Campus Partners' controls that may be relevant to a user organization's internal control structure as it relates to an audit of the financial statements, (2) the controls included in the description were suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily, and (3) such controls had been placed in operation as of June 30, 2009. The other accountants' report has been furnished to us as of my report issuance date in which an unqualified opinion was expressed regarding the previous noted controls.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

Internal Control Over Financial Reporting, Continued

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Also, I noted that other accountants for the Service Bureau expressed an unqualified opinion on specific controls tested.


Compliance and Other Matters

As part of obtaining reasonable assurance about whether **the University's** Schedule of Expenditures of Federal Awards is free of material misstatement, I performed tests of its *compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts*. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests of compliance disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

(CONTINUED)

This report is intended for the information and use of the President, management and federal awarding agencies and pass-through entities, and the Legislative Auditors' office and is not intended to be and should not be used by anyone other than these specified parties.



SEAN M. BRUNO
CERTIFIED PUBLIC ACCOUNTANTS

March 19, 2010

Sean M. Bruno
Certified Public Accountants

Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Dr. Kassie Freeman, Interim President
Southern University System
Baton Rouge, Louisiana 70813

Compliance

I have audited the compliance of the **Southern University System (the University)** with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of my report issuance date. **The University's** major federal programs are identified in the summary of independent auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **the University's** management. My responsibility is to express an opinion on **the University's** compliance based on my audit.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **the University's** compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on **the University's** compliance with those requirements.

In my opinion, **the University** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of my auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2009-01, 2009-02, 2009-03, 2009-04, 2009-05, 2009-06, 2009-07, 2009-08, 2009-09, 2009-10, and 2009-11.

I did not audit **the University's** compliance with certain regulations governing the processing of student loans for the NDSL/Perkins and Nursing Student Loan Programs as set forth therein relative to participation in the Federal Student Financial Assistance Program. Those administrative requirements govern functions performed by the Service Bureau. Since I did not apply auditing procedures to satisfy myself regarding compliance with those requirements, the scope of my work was not sufficient to enable us to express, and I do not express, an opinion on compliance with those requirements.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

The Service Bureau's compliance assertions with respect to its servicing of the NDSL/ Perkins Loan and Nursing Student Loan Programs for **the University** was examined by another accountant, whose report was furnished to me as of my report issuance date. Based on my review of the other accountants' report, I have determined that all of the compliance requirements included in the OMB Circular A-133 Compliance Supplement that are applicable to the programs in which **the University** participates are addressed in either my report or the report of the other accountant. The independent accountant indicated that no findings or questioned costs were noted as a result of the compliance attestation examination on the service bureau.

Internal Control Over Compliance

The management of **the University** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, except for the functions performed at **the University's** Service Bureau in connection with processing transactions for the NDSL/Perkins and Nursing Student Loan Programs, I considered **the University's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

For the internal control over compliance categories at the Service Bureau, another accountant examined management's assertions with respect to establishing internal control systems that assured compliance with reporting, NDSL/Perkins and Nursing Student Loan collections and due diligence, and servicer eligibility. The other accountants' report has been furnished to us as of my report issuance date.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Internal Control Over Compliance, Continued

I noted certain matters involving the internal control over compliance and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect the University's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2009-01, 2009-03, 2009-04, 2009-06, 2009-09, 2009-10, and 2009-11.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 2009-01, 2009-03, 2009-04, 2009-06, 2009-10, and 2009-11 to be material weaknesses.

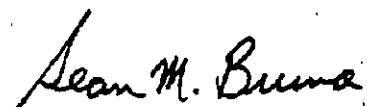
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Internal Control Over Compliance, Continued

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operations that I consider to be material weaknesses.

Also, I noted that other accountants for the Service Bureau indicated that there were no findings or questioned costs noted during the current year's attestation examination.

This report is intended solely for the information and use of the President, management, federal awarding agencies and pass-through entities, and the Legislative Auditors' office and is not intended to be and should not be used by anyone other than these specified parties.



SEAN M. BRUNO
CERTIFIED PUBLIC ACCOUNTANTS

March 19, 2010

SCHEDULE I

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS

SCHEDULE I

**SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2009**

- | | | |
|----|---|---------------------------|
| 1. | Type of report issued on the Schedule of Expenditures of Federal Awards: | <u>Unqualified</u> |
| 2. | Did the audit disclose any material weaknesses in internal control over financial reporting: | <u>No</u> |
| 3. | Did the audit disclose any significant deficiencies in internal control over financial reporting that are not considered to be material weaknesses: | <u>No</u> |
| 4. | Did the audit disclose any noncompliance which is material to the financial statements of the organization: | <u>No</u> |
| 5. | Did the audit disclose any material weaknesses in internal control over major federal programs: | <u>Yes</u> |
| 6. | Did the audit disclose any significant deficiencies in internal control over major programs that are not considered to be material weaknesses: | <u>Yes</u> |
| 7. | Type of report issued on compliance for major programs: | <u>Unqualified</u> |
| 8. | Did the audit disclose any audit findings which the independent auditors are required to report under OMB Circular A-133, Section 510(a): | <u>Yes</u> |

SCHEDULE I

SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2009

9. The following is an identification of major programs:

| <u>CFDA Number</u> | <u>Federal Program</u> |
|------------------------|--|
| 17.259 | Work Force Investment Act - Youth Activities |
| 84.007 | Federal Supplemental Educational Opportunity Grants |
| 84.031 | Higher Education - Institutional Aid Title III |
| 84.032 | Federal Family Education Loans |
| 84.033 | Federal Work Study Program |
| 84.063 | Federal PELL Grant Program |
| 84.375 | Academic Competitiveness Grants |
| 84.376 | National Science and Mathematics Access to Retain Talent (Smart) Grants |
| 84.367 | Improving Teacher Quality State Grants |
| 93.575 | Child Care and Development Block Grant |
| 93.558 | Temporary Assistance for Needy Families (TANF) |
| 93.575 | Child Care and Development Block Grant |
| 93.658 | Foster Care - Title IV-E |
| 93.925 | Scholarships for Students from Disadvantage Backgrounds |
| Various | Research and Development Cluster |

9. The dollar threshold used to distinguish between Type A and Type B Programs, as described in OMB Circular A-133, Section 520(b) is as follows:

| <u>Program</u> | <u>Amount</u> |
|----------------|---|
| Type A | Major Program Determination Performed on a State Level. |

10. Did the auditee qualify as a low-risk auditee under OMB Circular A-133, Section 530:
No.

SCHEDULE II

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FINANCIAL STATEMENT FINDING**

SCHEDULE II

**SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDING
FOR THE YEAR ENDED JUNE 30, 2009**

There was no financial statement finding noted.

SCHEDULE III

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

Questioned Cost

2009-01 - Return of Title IV Funds

\$ Undeterminable

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section (N) (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-01 - Return of Title IV Funds, Continued

Condition and Perspective

During my audit, I noted the following conditions:

- Eighteen (18) students out of twenty (20) tested whose funds to be returned by the University were not returned within the prescribed forty-five (45) days; and
- Seventeen (17) students withdrew on or before the sixty percent point of enrollment and received Title IV aid. The students were required to have a Return of Title IV funds calculation on file but no calculation was done.

Cause

The University failed to adhere to established procedures in processing certain refunds.

Questioned Costs

For purposes of this condition, I was unable to question the costs for the calculations that were not prepared by management.

Effect

The University has not complied with Title IV regulations that specify if a student withdraws from school within a certain time frame a refund must be processed, calculated properly and remitted to the Title IV program in accordance with established time frames.

Recommendation

I recommend that management immediately make the necessary steps to prepare the Return of Title IV Funds calculation, and return the funds to the Department of Education as well as implementing procedures to correct the noted deficiencies.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-02 - Student Credit Balance

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Student Financial Assistance Programs, Section III Part N – Special Tests and Provisions stipulate that disbursements to students must be made in accordance with required time frames. Title IV regulations 34 CFR 668.164 (e) specifies that whenever a school credits Student Financial Aid (SFA) program funds to a student's account, and those funds exceed the student's allowable charges, a SFA credit balance occurs. The school must pay the credit balance to the student as soon as possible, but no later than 14 days after the date the balance occurred on the student's account or the first days of classes of the payment period.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-02 - Student Credit Balance, Continued

Condition and Perspective

I noted during my audit that twelve (12) out of fifty (50) students tested had student financial aid credit balances but **the University** did not refund the credit balances to the students within the fourteen (14) day requirement.

Cause

It appears that **the University** did not ensure that the students received their refund checks within the prescribed time frame.

Questioned Costs

For purposes of this condition, I have not questioned any costs.

Effect

The University has not adhered to Title IV regulations regarding the disbursing of excess funds to students within a timely manner.

Recommendation

I recommend that management of **the University** take immediate steps to ensure that students receive their refund checks within the required time frames as required by Title IV regulations.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE

Audit Finding Reference Number

2009-03 - Matching, Level of Effort, Earmarking

Federal Program Specific Federal Award Identification

CFDA Title and Number

93.658 Foster Care Title IV-E

Federal Award Year

June 30, 2009

Federal Agencies

U.S. Department of Health and Human Services

Pass-Through Entity

Louisiana Department of Social Services

Criteria

OMB Circular A-133, Compliance Supplement, Part 3, Section G stipulates that non-federal entities must provide the required matching or cost share of the amount or percentage specified in the grant agreement using allowable costs incurred or in-kind contributions.

Conditions and Perspectives

I noted during my audit that the University was unable to provide documentation that the required cost share specified in the grant was provided.

Cause

The University failed to have procedures in place that required responsible grant personnel to ensure the cost share provided was appropriately documented in the financial records and reports.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE

Audit Finding Reference Number

2009-03 - Matching, Level of Effort, Earmarking, Continued

Questioned Costs

For the purposes of this finding, I have not questioned any costs.

Effect

The University is in noncompliance with the Matching, Level of Effort, Earmarking compliance requirement.

Recommendation

I recommend the University establish procedures to ensure the cost share provided is appropriately documented in financial records and reports.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE

Audit Finding Reference Number

2009-04 - Procurement, Suspension, and Debarment

Federal Program Specific Federal Award Identification

CFDA Title and Number

84.031- Higher Education Institutional Aid

Federal Award Year

June 30, 2009

Federal Agencies

U.S. Department of Education

Pass-Through Entity

None

Criteria

OMB Circular A-133, Compliance Supplement, Part 3, Section I stipulates that when non-federal entities enter into covered transactions with an entity at a lower tier, the non-federal entity must verify that the other entity is not suspended, debarred, or otherwise excluded from doing business with the federal government.

Conditions and Perspectives

I noted during my audit that the University was unable to support the verification of four (4) out of four (4) entities selected for testing with respect to the suspension and debarment compliance requirement.

Cause

The University failed to follow procedures in place that required responsible personnel to verify that entities entering into covered transactions were not suspended, debarred, or otherwise excluded from doing business with the federal government.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE

Audit Finding Reference Number

2009-04 - Procurement, Suspension, and Debarment, Continued

Questioned Costs

For the purposes of this finding, I have not questioned any costs.

Effect

Non-compliance with the Procurement, Suspension, and Debarment compliance requirement.

Recommendation

I recommend that **the University** follow prescribed procedures to ensure that supporting documentation for the verification of entities that enter into covered transactions are not suspended, debarred, or otherwise excluded from doing business with the federal government is supported and maintained by **University** personnel.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

Questioned Costs

2009-05 - Ineligible Pell Recipient

\$ 14,202

Federal Program and Specific Federal Award Identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Title IV regulations, 34 CFR 668.32 (g) stipulates that a student is eligible to receive Title IV aid assistance if the student is not in default, and certifies that he or she is not in default, on a loan made under any Title IV program.

Conditions and Perspectives

During my audit I noted two (2) students out of fifty (50) tested whose Institutional Student Information Report indicated that the student was in default of a Title IV loan, yet the University disbursed funds to the student without verifying that the student made arrangements with the Department of Education to make payment arrangements.

Cause

It appears that the University did not adequately determine if Title IV aid was disbursed to eligible recipients.

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

SCHEDULE III

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-05 - Ineligible Pell Recipient, Continued

Questioned Costs

For purposes of this condition, I have questioned costs totaling \$ 14,202 as follows:

| <u>Program</u> | <u>Amount</u> |
|--------------------|------------------|
| Federal PELL Grant | \$ 8,812 |
| FFEL | <u>5,390</u> |
| Total | \$ <u>14,202</u> |

Effect

The University disbursed financial aid to students who were not eligible recipients.

Recommendation

I recommend that management of **the University** adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

| <u>Audit Finding Reference Number</u> | <u>Questioned Costs</u> |
|--|--------------------------------|
|--|--------------------------------|

| | |
|------------------------|------------------|
| 2009-06 - Verification | <u>\$ 67,188</u> |
|------------------------|------------------|

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.007 Federal Supplemental Educational Opportunity Grant (SEOG)

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs, Section III, Part N – Special Test and Provisions stipulates that **the University** is required to establish written policies and procedures that incorporate the provisions of 34 CFR sections 668.51 through 668.61 for verifying applicant information. **The University** shall require each applicant whose application is selected by the central processor, based on edits specified by the Department of Education, to verify the information specified in 34 CFR sections 668.56.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-06 - Verification, Continued

Conditions and Perspectives

During my audit I noted that eleven (11) students out of thirty-eight (38) tested whose verification information was conflicting with the verified documentation or the verification information was not verified.

Cause

It appears that the University did not properly ensure that all required verifiable information was correct prior to the awarding and disbursing of financial aid.

Questioned Costs

For purposes of this condition, I have questioned costs totaling \$ 67,188 as follows:

| <u>Program</u> | <u>Amount</u> |
|--------------------|------------------|
| Federal PELL Grant | \$ 39,806 |
| Federal SEOG Grant | 200 |
| FFEL | <u>27,182</u> |
| Total | \$ <u>67,188</u> |

Effect

The University disbursed financial aid to students who had not completed the verification process.

Recommendation

I recommend that management of the University adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

**INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED**

Audit Finding Reference Number

Questioned Costs

2009-07 - Satisfactory Academic Progress

\$ 15,825

Federal Program and Specific Federal Award Identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.007 Federal Supplemental Educational Opportunity Grant (SEOG)

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

Department of Education

Pass-Through Entity

Not applicable.

Criteria

Title IV regulations, 34 CFR Section 668.32(f) stipulates that students participating in the Title IV Federal Financial Aid programs must be maintaining satisfactory progress in the course of study he or she is pursuing, according to the standards and practices of that institution to receive student financial aid.

OMB Circular A-133 Compliance Supplement, Part 5 Appendix A, Student Financial Assistance - Student Eligibility Compliance Requirement Number (6) stipulates that a student must maintain good standing, or satisfactory progress. Title IV regulation 34 CFR 668.16(e) stipulates that an institute must establish, publish and apply reasonable standards for measuring satisfactory academic progress.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2009-07 - Satisfactory Academic Progress, Continued

Condition and Perspective

I noted during my audit that two (2) students out of fifty (50) tested were awarded and received financial aid, although the students did not meet the University's standards for achieving satisfactory academic progress.

Cause

It appears that the University inadvertently disbursed aid to academically ineligible students.

Questioned Costs

For purposes of the condition I have questioned costs totaling \$15,825 as follows:

| <u>Program</u> | <u>Amount</u> |
|----------------|------------------|
| Federal Pell | \$ 5,323 |
| Federal SEOG | 200 |
| FFEL Loan | <u>10,302</u> |
| Total | <u>\$ 15,825</u> |

Effect

It appears that the University disbursed financial aid to students that did not maintain satisfactory academic progress.

Recommendation

I recommend that the University adhere to established policies and procedures as documented in the revised satisfactory academic progress policy and monitor the academic standing of all students prior to awarding student financial aid.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

| <u>Audit Finding Reference Number</u> | <u>Questioned Cost</u> |
|--|-------------------------------|
|--|-------------------------------|

| | |
|------------------------------------|-----------------|
| 2009-08 - Return of Title IV Funds | <u>\$ 1,099</u> |
|------------------------------------|-----------------|

Federal Program and Specific Federal Award Identification

CFDA Title and Number

84.063 Federal Pell Grant Program

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section (N) (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame.

SCHEDULE III

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-08 - Return of Title IV Funds, Continued

Condition and Perspective

During my audit, I noted the following conditions:

- Two (2) students out of twenty (20) tested whose funds to be returned by **the University** were not returned within the prescribed forty-five (45) days;
- One (1) student out of twenty (20) tested whose calculation was done incorrectly. This resulted in **the University** returning less funds than were required. **The University** under-returned \$12; and
- Two (2) students out of twenty (20) tested who had a post-withdrawal disbursement and the required amount to be returned to the students were not documented as returned to the student. The amount to be returned was \$1,087.

Cause

The University failed to adhere to established procedures in processing certain refunds.

Questioned Costs

For purposes of this condition, I have not questioned any costs

Effect

The University has not complied with Title IV regulations that specify if a student withdraws from school within a certain time frame a refund must be processed, calculated properly and remitted to the Title IV program in accordance with established time frames.

Recommendation

I recommend that management immediately make the necessary steps to prepare the Return of Title IV Funds calculation, and return the funds to the Department of Education.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED:

Audit Finding Reference Number

2009-09 - Davis-Bacon Act

Federal Program Specific Federal Award Identification

CFDA Title and Number

84.031 Higher Education Institutional Aid

Federal Award Year

June 30, 2009

Federal Agencies

U.S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement Part 3 Section D stipulates that for laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance funds, wages paid must not be less than those established for the locality of the project by the DOL. Non-federal entities shall include in their construction contracts subject to the Davis-Bacon Act a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act and the DOL regulations, including a requirement that the contractor or subcontractor submit a copy of the payroll and a statement of compliance weekly.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Audit Finding Reference Number

2009-09 - Davis-Bacon Act, Continued

Conditions and Perspectives

I noted during my audit that **the University** did not have procedures in place to monitor for Davis-Bacon compliance when a construction project is funded with federal dollars.

Cause

The University failed to have procedures in place that required responsible grant personnel to notify facility maintenance personnel of the Davis-Bacon requirements when construction and renovation projects are federally funded.

Questioned Costs

For the purposes of this finding, I have not questioned any costs.

Effect

Noncompliance with the Davis-Bacon compliance requirement.

Recommendation

I recommend **the University** implement procedures that require responsible grant personnel to notify management when construction or renovation projects are funded with federal funds.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2009-10 - Exit Counseling

Federal Program and Specific Federal Award Identification

CFDA Title and Number

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Title IV regulations, 34 CFR 682.604 (g) stipulates that a university must ensure that exit counseling is conducted with each Stafford loan borrower either in person, by audiovisual presentation, or by interactive electronic means shortly before the student borrower ceases at least half-time study at the school.

Condition and Perspective

I noted three (3) students out of six (6) tested who received Title IV funds; graduated or ceased to enroll at least half-time and did not have documentation of exit counseling.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2009-10 - Exit Counseling, Continued

Cause

It appears that **the University** did not properly administer exit counseling to all Title IV recipients who graduated or ceased to enroll at least time.

Questioned Cost

For the purpose of this condition, I have not questioned any costs.

Effect

Title IV recipients were not aware of their rights and responsibilities subsequent to withdrawing from school.

Recommendation

I recommend that **the University** ensure that all Title IV recipients who withdraw from **the University** receive exit counseling.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

| <u>Audit Finding Reference Number</u> | <u>Questioned Cost</u> |
|---------------------------------------|------------------------|
| 2009-11 - Entrance Counseling | <u>\$ 9,800</u> |

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2009

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Title IV regulations, 34 CFR 682.604 (f) stipulates that a school must ensure that initial counseling is conducted with each Stafford loan borrower either in person, by audiovisual presentation, or by interactive electronic means prior to its release of the first disbursement, unless the student borrower has received a prior Federal Stafford, Federal SLS, or Direct subsidized or unsubsidized loan.

Condition and Perspective

During my testing of student eligibility, I noted that eight (8) students from my population tested were first time borrowers and required entrance counseling prior to receiving financial aid.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE, CONTINUED

Audit Finding Reference Number

2009-11 - Entrance Counseling, Continued

Condition and Perspective, Continued

Based on procedures performed with respect to entrance counseling, I noted the following during my audit:

Two (2) students were first-time borrowers and received a FFEL loan without have an entrance counseling session; and

Two (2) students were first-time borrowers and received a FFEL loan disbursement prior to having an entrance counseling session.

Cause

It appears that **the University** did not ensure that all students who were first-time borrowers received entrance counseling prior to receiving the loan proceeds.

Questioned Costs

For purposes of this condition, I have questioned costs totaling \$9,800 for the two (2) students that did not receive entrance counseling.

Effect

The University is not in compliance with federal regulations.

Recommendation

I recommend that **the University** ensure that all first time borrowers receive entrance counseling prior to receiving loans being disbursed.

**SOUTHERN UNIVERSITY SYSTEM
AUDIT INFORMATION SCHEDULE**

Lead Auditor: Sean M. Bruno
Certified Public Accountants
Sean M. Bruno, CPA, Owner
Sean M. Bruno, Manager

Telephone Number: (504) 241-3411

License Number: L4730

The audit field work was performed between September 20, 2009 and March 5, 2010 at the institutions's facilities as follows:

| <u>LOCATION</u> | <u>DESCRIPTION OF FACILITY</u> |
|-------------------------|---------------------------------------|
| Baton Rouge | Main Campus |
| New Orleans | Branch Campus |
| Shreveport-Bossier City | Branch Campus |

Institution's Accrediting Organization:

Southern Association of Colleges and Schools, and
The National Council for Accreditation of Teacher Education.

The institution utilizes a SFA Servicer:

Campus Partners Servicing Group
2400 Reynoldo Road
Winston-Salem, North Carolina

The following functions are provided by this SFA Servicer:

1. Billing Students - Perkins Loans
2. Collection of Loan principal and interest - Perkins Loans
3. Processing of cancellations and deferments - Perkins Loans

A review of the Servicer's compliance with Title IV regulations was performed by the service bureau's independent public accountant.

SOUTHERN UNIVERSITY SYSTEM
AUDIT INFORMATION SCHEDULE, CONTINUED

Records for the accounting and administration of the SFA programs are located at:

| | |
|------------------------------------|--|
| Baton Rouge Campus: | Baton Rouge, Louisiana |
| New Orleans Campus: | 6400 Press Drive New Orleans, Louisiana |
| Shreveport- Bossier City Campus | 3050 Martin Luther King Drive Shreveport, Louisiana |



Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

March 24, 2010

Mr. Sean Bruno, CPA
Sean M. Bruno CPAs
4949 Bullard Avenue
New Orleans, Louisiana 70128

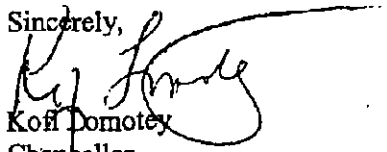
**Re: Response to Federal Award Financial and Compliance Audit
For the Year Ended June 30, 2009**

Dear Mr. Bruno:

Attached is the University's response to the *"Federal Award Findings and Questioned Costs for the fiscal year ended June 30, 2009."*

We would like to take this opportunity to thank you and your staff for the cooperation and professional manner in which this audit was conducted. Please contact **Mr. Flandus McClinton, Jr., Vice Chancellor for Finance and Administration** at (225)771-5021 if you have questions or need additional information regarding the attached response.

Sincerely,



Kofi Domotey
Chancellor

Attachment

C: Kassie Freeman, President
Flandus McClinton, Jr., Vice Chancellor

Baton Rouge, Louisiana 70813-0400 [225] 771-2011

"A People's Institution Serving The State, The Nation, and The World."

SOUTHERN UNIVERSITY AT BATON ROUGE
RESPONSE TO FEDERAL AWARDS FINANCIAL AND COMPLIANCE AUDIT
FOR THE YEAR ENDED JUNE 30, 2009

Audit Finding Reference Number

2009-01- Return of Title IV Funds

Response:

- The University concurs that funds for eighteen (18) students were not returned within the prescribed forty-five (45) days. The University will review and strengthen existing procedures to ensure that funds are returned to the applicable agencies within the prescribed forty-five (45) days as required.
- The University concurs that seventeen (17) students who required a return of Title IV calculation were not calculated timely. Calculations for the seventeen (17) students were not performed timely because of an inadvertent failure to change the calculation profile resulting from changes made to the academic calendar as a result of Hurricane Gustav. Hurricane Gustav occurred in September 2008 and classes were canceled for more than five days. The sixty percent profile was changed to reflect the canceled classes. The fall academic term was later extended to make up for the missed days. The sixty percent profile was not adjusted at this time to reflect the change. Due to the unforeseen occurrence of this natural disaster and the University's need to respond swiftly in the best interest of our students, the oversight to update the sixty percent profile when the academic calendar was changed a second time was not timely detected by the University. The University has subsequently made the appropriate calculations in the amount of \$22,535.26 for the seventeen (17) students and funds have been returned to the appropriate agencies. The University will review existing procedures and make revisions as needed to address the processes that will be required in emergency situations involving natural and other disasters.

Audit Finding Reference Number

2009-02- Student Credit Balance

Response:

In accordance with federal guidelines, the University is required to verify attendance prior to disbursing aid. Students are not eligible to receive excess funds until their attendance has been verified, recalculated, and determined eligible. Effective Spring 2009, the University implemented a change in its verification of attendance process. Attendance is verified prior to the 14th class

day and at the end of the 14th class day. Student refund checks are disbursed once the final verification of attendance requirements has been met.

SCHEDULE 8-3 Form

Entity's Name:

Southern University and A&M College at Baton Rouge

For the Year Ended June 30, 2008

Finding Title: Davis-Bacon

Pass-Through Entity Name, (if applicable):

N/A

Reference Number(s): 2008-02 - Davis-Bacon F-08-EP-SUBR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: FY 2008

Initial Year of Finding: FY 2008

Amount of Questioned Costs: \$ -0-

Page Number (from Single Audit Report): 67-68, 98

Program Name(s): Higher Education Institutional Aid

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.031

Status of Questioned Costs (check one): Resolved N/A Unresolved: N/A

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected

X

Not Corrected

Partially Corrected

No Further Action Needed

Change of Corrective Action

(See OMB A-133 Section 315(b)(4))

Description of Status: (Include corrective action planned and anticipated completion date, if applicable):

The University has developed and implemented policies and procedures to effectively monitor federally funded construction projects to ensure compliance with Davis-Bacon requirements.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature:

Charles McClinton Jr.

Phone Number:

225-271-6278

Schedule 8-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)

Finding Title: Federal Work-study

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-SUBR-2

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned \$ -0-

Page Number (from Single Audit Report): 94

Program Name(s): Federal Work-study PROGRAM

Federal Grantor Agency:

CFDA Number(s): 84.033

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

No questioned costs associated with this item.

Status of Finding (check one):

Fully Corrected X

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133, Section 316(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University will conduct workshops with work-study supervisors
stressing the importance of ensuring that students do not work
while scheduled to be in class. This training will be on-going.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

by: Ursula Shorty

Phone Number: (225) 971-2012

Address: Ursula.Shorty@subr.edu

Schedule B-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)
Finding Title: Satisfactory Academic Progress
"Pass-Through Entity Name," if applicable:

Reference Number(s): F -07-ED-SUBR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned \$ 14,668

Page Number (from Single Audit Report): 89

Program Name(s): Federal Pell Grant Program and Federal Family Educational Loans (FFEL)

Federal Grantor Agency: _____

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):

Resolved: ☒ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Pell liabilities have been repaid to DOE and FFEL liabilities have been returned to the applicable agencies.

Status of Finding (check one):

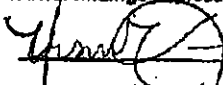
Fully Corrected ☒ Not Corrected _____
Partially Corrected _____ No Further Action Needed _____
Change of Corrective Action (See OMB A-133, Section 315(b)(4)) _____

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has updated the Satisfactory Academic Progress (SAP) policy and procedures, effective fall 2007, to accurately monitor student eligibility.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

TE:



Phone Number: (225) 771-2012

Address: ursula_shorty@subr.edu

Schedule 8-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)
Finding Title: Verification
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): R-07-ED-SUBR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned \$ 4,700.00

Page Number (from Single Audit Report): 90

Program Name(s): Federal Pell Grant Program and Federal Family Educational Loan (FFEL)

Federal Grantor Agency: _____

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):

Resolved: ☒ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Pell liabilities have been repaid to DOE and FFEL liabilities
have been returned to the applicable lending agencies.

Status of Finding (check one):

Fully Corrected ☒ Not Corrected _____
Partially Corrected _____ No Further Action Needed _____
Change of Corrective Action (See OMB A-133, Section 315(b)(4)) _____

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University will adhere to established procedures to ensure
that all verification information is obtained and verified prior
to the disbursement of financial aid.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Signature: [Signature]

Phone Number: (225) 771-2012

Address: Wesley - Shorty @ subr.edu

Schedule B-3 Form

Entity's Name: Southern University System - New Orleans Campus
Finding Title: Federal Award Findings and Questioned Costs
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-06-ED-SUNO-1 Entrance Counseling
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 95

Program Name(s): Federal Family Education Loans (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected _____ Not Corrected X
Partially Corrected _____ No Further Action Needed _____
Change of Corrective Action _____ (See OMB A-133, Section 315(b)(4))

Description of Status: (Include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy Woods *Kathy Woods*

Phone Number: (504) 286-5283

Preparer's E-mail Address: kwoods@suno.edu *10/20/2009*

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
 Finding Title: Federal Award Findings and Questioned Costs
 "Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-2 Federal Work-Study
 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (1) \$ N/A

Page Number (from Single Audit Report): 96

Program Name(s): Federal Work-Study Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiatio

Status of Finding (check one):

| | | | |
|-----------------------------|-------|------------------------------------|----------------|
| Fully Corrected | _____ | Not Corrected | <u>X</u> _____ |
| Partially Corrected | _____ | No Further Action Needed | _____ |
| Change of Corrective Action | _____ | {See OMB A-133, Section 315(b)(4)} | |

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management will develop and implement incentives to ensure all participants in the Federal Work-Study Program adhere

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy Woods *Kathy Woods*

Phone Number: (504)286-5283

Preparer's E-mail Address: kwoods@suno.edu

10/20/2009

Schedule B-3 Form

Entity's Name: Southern University System-New Orleans Campus
 Finding Title: Student Credit Balance
 "Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUNO-3
 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): N/A

Page Number (from Single Audit Report): 97

Program Name(s): Federal PELL Grant Program & Federal Family Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):
 Resolved: ☐ Unresolved: ☐ No Further Action Needed: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):
 Fully Corrected ☒ Not Corrected ☐
 Partially Corrected ☐ No Further Action Needed ☐
 Change of Corrective Action ☐ (See OMB A-133, Section 315(b)(4))

Description of Status: (Include corrective action planned and anticipated completion date, if applicable):

After confirmation of the Department of Education's Policy on registration refunds the Comptroller's Office
 Staff is now clear on the subject and understands that refunds should be processed within 14 days after the
 federal aid has been disbursed. Based on this information, SUNO will process all registration refunds
 within 14 days after student aid is disbursed.

NOTE: Use this form to present the status of any findings that are listed for your agency on the
 attached schedule. You should only present 1 finding per form. If you have 2
 findings to present, then you should use 2 forms (1 for each finding). If there
 are no federal findings to present in this schedule, write NONE above.

Preparer's Name: W. White

Phone Number: 504 286-5117

Preparer's E-mail Address: WWHITE@SUNO.edu

Schedule B-3 Form

Entity's Name: Southern University System-New Orleans Campus
 Finding Title: Federal Award Findings and Questioned Costs
 "Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-4
 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (If): \$ N/A

Page Number (from Single Audit Report): 98

Program Name(s): Federal Family Education Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.268

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected _____ Not Corrected X
 Partially Corrected _____ No Further Action Needed _____
 Change of Corrective Action _____ (See OMB A-133, Section 315(b)(4))

Description of Status: (Include corrective action planned and anticipated completion date, if applicable):

The University will make certain that the students' proper enrollment status is reported to the guaranteed agency and to

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy G. Woods *Kathy G. Woods* Phone Number: (604)286-5263

Preparer's E-mail Address: kwoods@suno.edu *12/20/2007*

Schedule 3-3 Form

Entity's Name: Southern University System-New Orleans Campus
 Finding Title: Federal Award Finding and Questioned Costs
 "Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-5 Verification _____
 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if a \$ \$11,370

Page Number (from Single Audit Report): 98

Program Name(s): Federal Pell Grant Program Federal Family Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.069

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
 Questioned Costs are still in negotiations pending file review.

Status of Finding (check one):

Fully Corrected _____ Not Corrected X
 Partially Corrected _____ No Further Action Needed _____
 Change of Corrective Action _____ (See OMB A-133, Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

To avoid recurrence, implemented in the Counseling unit will be a self-audit to be conducted each semester, including

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy Woods Phone Number: (504)286-5263

Preparer's E-mail Address: kwoods@suno.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Federal Work Study

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ \$2,905

Page Number (from Single Audit Report): 100

Program Name(s): Federal Work Study Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):

Resolved: Unresolved: X No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has been requested to complete a 100% file review to determine actual liabilities.

Status of Finding (check one):

Fully Corrected

Not Corrected

Partially Corrected X

No Further Action Needed

Change of Corrective Action

{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has revised its internal procedures to ensure compliance with applicable Federal Work Study Program (FWSP) guidelines. Additionally, training has been provided to faculty and staff.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund

*Pass-Through Entity Name, if applicable: N/A

Reference Number(s): F-08-ED-SUSH-2

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ —

Page Number (from Single Audit Report): 101

Program Name(s): Federal Pell Grant Program; Federal Supplemental Educational Opportunity Grant (FSEOG); Federal Family Education Loans

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032; 84.007; 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

| | |
|---|--|
| Fully Corrected <u> </u> | Not Corrected <u> </u> |
| Partially Corrected <u>X</u> | No Further Action Needed <u> </u> |
| Change of Corrective Action <u> </u> | {See OMB A-133, Section 315(b)(4)} |

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University's Management, in recognition of the seriousness of this finding, has appointed a committee to provide recommendation and an action plan to bring final resolution to this issue; the University has begun the process of determining whether students unofficially withdrew from the University or not. Faculty members have been requested to assist management in this determination; additionally, Return of Title IV Fund calculations will be prepared for all required students; the University will endeavor to return appropriate funds due to the Department of Education in an expedited manner.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh

Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susia.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-2

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ 454,175

Page Number (from Single Audit Report): 94

Program Name(s): Federal Pell Grant; Supplemental Educational Opportunity Grant;
Federal Direct Student Loan; Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):

Resolved: Unresolved: X No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Status of Finding (check one):

Fully Corrected Not Corrected

Partially Corrected X No Further Action Needed

Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University's Management, in recognition of the seriousness of this finding, has appointed a committee to provide recommendation and an action plan to bring final resolution to this issue; the University has begun the process of determining whether students unofficially withdrew from the University or not. Faculty members have been requested to assist management in this determination; additionally, Return of Title IV Fund calculations will be prepared for all required students; the University will endeavor to return appropriate funds due to the Department of Education in an expedited manner.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Satisfactory Academic

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-3

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ \$89,100

Page Number (from Single Audit Report): 95

Program Name(s): Federal Pell Grant; Federal Family Education Loan (FFEL); Federal Supplemental Educational Opportunity Grant; Federal Work Study Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.032; 84.007; 84.033

Status of Questioned Costs (check one):

Resolved: Unresolved: X No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University is negotiating a repayment plan with the Department of Education.

Status of Finding (check one):

Fully Corrected X Not Corrected

Partially Corrected No Further Action Needed

Change of Corrective Action (See OMB A-133, Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding financial aid. All members of the University's Appeals Committee will be required to attend a mandatory workshop to ensure compliance with the University's "Satisfactory Academic Progress" policy.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Satisfactory Academic

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-06-ED-SUSH-3

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ \$46,710

Page Number (from Single Audit Report): 63

Program Name(s): Federal Pell Grant; Federal Family Education Loan (FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has entered into a repayment plan with the Department of Education.

Status of Finding (check one):

Fully Corrected X Not Corrected _____

Partially Corrected _____ No Further Action Needed _____

Change of Corrective Action _____ {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding student financial aid. All members of the University's Appeals Committee will be required to attend a mandatory workshop to ensure compliance with the University's "Satisfactory Academic Progress" policy.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susja.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs In Finding (if applicable): \$ 52,743

Page Number (from Single Audit Report): 96

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant;
Federal Direct Student Loan; Federal Family Education Loan (FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has undergone a program review and is negotiating Questioned Cost for FY
2006-2007.

Status of Finding (check one):
Fully Corrected _____ Not Corrected X
Partially Corrected _____ No Further Action Needed _____
Change of Corrective Action _____ {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory changes.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-06-ED-SUSH-4

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ 26,405

Page Number (from Single Audit Report): 64

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; Federal Direct Student Loan; Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

A payment plan has been negotiated with the Department of Education.

Status of Finding (check one):

Fully Corrected _____

Not Corrected X

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory changes.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present, in this schedule, write NONE above.

Preparer's Name: Burroughs Phone Number: _____

Preparer's E-mail Address: _____

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Allowable Cost

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-04-CC-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2004

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable): \$ 700

Page Number (from Single Audit Report): 35

Program Name(s): Vocational Education-Basic Grants

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.048

Status of Questioned Costs (check one):

Resolved: ☒ Unresolved: ☐ No Further Action Needed: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Are they still in negotiation?

Funds were refunded to the appropriate funding agency.

Status of Finding (check one):

Fully Corrected ☒ Not Corrected ☐

Partially Corrected ☐ No Further Action Needed ☐

Change of Corrective Action ☐ (See OMB A-133, Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has received additional training to ensure that program costs are allowable per federal guidelines.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670/6481

Preparer's E-mail Address: bpugh@susla.edu



Office of the
Vice-Chancellor for
Administration and Finance

SOUTHERN UNIVERSITY AT NEW ORLEANS

6801 Press Drive
New Orleans, Louisiana 70126
(504) 286-5117
FAX (504) 284-5473

March 25, 2010

Séan M. Bruno, CPA
4949 Bullard Avenue
New Orleans, LA 70128

**RE: Southern University at New Orleans
Responses to the Findings of the Single Audit for FYE June 30, 2009**

Dear Mr. Bruno:

Regarding the above referenced audit, my response to the finding is as follows.

Audit Finding Reference Number

2009- Matching, Level of Effort, Earmarking
Effect

The University is in noncompliance with the Matching, Level of Effort, Earmarking compliance requirement.

Recommendation

We recommend the University establish procedures to ensure the cost share provided is appropriately documented in financial records and reports.

Management Response

The university agrees to establish a procedure where the responsibility of appropriately documenting, in our financial records, the cost share provided by the university rest with the Post Award Administrator & Budget Manager. The newly established procedure will also include the Grants & Contract Accountant to incorporate the cost match in the financial reports.

Audit Finding Reference Number

2009- - Procurement, Suspension, and Debarment, Continued

Effect

Non-compliance with the Procurement, Suspension, and Debarment compliance requirement.

Recommendation

We recommend that the University follow prescribed procedures to ensure that supporting documentation for the verification of entities that enter into covered transactions are not suspended, debarred, or otherwise excluded from doing business with the federal government is supported and maintained by University personnel.

Management Response

The university agrees to revise the current purchasing procedure to include a process that verifies all vendors, who seek to enter into contractual agreement for federally funded services, are not suspended, debarred, or otherwise excluded from doing business with the federal government.

Audit Finding Reference Number

2009- - Ineligible Pell Recipient

Condition and Perspective

During our audit we noted two (2) students out of fifty (50) tested whose Institutional Student Information Report indicated that the student was in default of a Title IV loan, yet the University disbursed funds to the student without verifying that the student made arrangements with the Department of Education to make payment arrangements.

Recommendation

We recommend that management of the University adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

Management Response

Although these students were in default, these students were initially not in default at the time the aid was processed and the student was eligible to receive Title IV aid. Management will adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

Audit Finding Reference Number

2009 - Verification

Conditions and Perspectives

During our audit we noted that eleven (11) students out of thirty-eight (38) tested whose verification information was conflicting with the verified documentation or the verification information was not verified.

Cause

It appears that the University did not properly ensure that all required verifiable information was correct prior to the awarding and disbursing of financial aid.

Management Response

There were duplicate folders on these students and all verifiable documentation was not available at the time. Management will ensure that all required verifiable documentation is housed in one file and that awarding and disbursing of aid is not performed until verification is complete and accurate.

Audit Finding Reference Number

2009 - Satisfactory Academic Progress

Condition and Perspective

We noted during our audit that two (2) students out of fifty (50) tested were awarded and received financial aid, although the students did not meet the University's standards for achieving satisfactory academic progress.

Cause

It appears that the University inadvertently disbursed aid to academically ineligible students.

Management Response

Although these students were not making satisfactory academic progress, an approved financial aid appeal was not available at the time of submission. Management will ensure that all documents are procured in the student's file.

Audit Finding Reference Number

2009 - Return of Title IV Funds

Condition and Perspective, Continued

Two (2) students out of twenty (20) tested whose funds to be returned by the University were not returned within the prescribed forty-five (45) days;

"An Equal Educational Opportunity Institution"

- One (1) student out of twenty (20) tested whose calculation was done incorrectly. This resulted in the University returning less funds than were required. The University under-returned \$12; and
- Two (2) students out of twenty (20) tested who had a post-withdrawal disbursement and the required amount to be returned to the students were not documented as returned to the student. The amount to be returned was \$1,087.

Cause

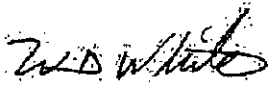
The University failed to adhere to established procedures in processing certain refunds.

Management Response

Management does not concur.

Any questions or concerns regarding these corrective actions should be directed to the office of the Vice Chancellor for Administration and Finance (504 286-5117).

Sincerely,



Woodie White
Interim Vice Chancellor for
Administration and Finance



Excellence • Integrity • Accountability • Service

Office of the Chancellor

March 24, 2010

Mr. Sean Bruno,
Sean Bruno CPA
4949 Bullard Avenue-Suite 100
New Orleans, La 70128

Dear Mr. Bruno:

I am transmitting, per your request, responses to audit findings for Southern University Shreveport of the fiscal year ending June 30, 2009. We are most appreciative to your staff for the cooperation and professionalism in which these audits have been conducted.

Should you have questions or require additional information, please contact Mr. Benjamin Pugh, Vice Chancellor for Finance and Administration, at (318) 670-6481.

Sincerely,


Ray L. Belton, Ph.D.
Chancellor

RLB/lw

cc: Mr. Tolor White, V. P. for Finance/Business Affairs & Comptroller, SUS
Mr. Benjamin Pugh, Vice Chancellor for Finance & Administration, SUSLA

3050 MARTIN LUTHER KING, JR. DRIVE - SHREVEPORT, LOUISIANA 71107
PHONE: (318) 670-6312 - FAX (318) 670-6374
TOLL FREE: 1-800-458-1472, #6312
www.SUSLA.edu

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Southern University-Shreveport

Audit Finding Reference Number

2009- Davis-Bacon Act

Condition and Perspectives

We noted during our audit that the University did not have procedures in place to monitor for Davis-Bacon compliance when a construction project is funded with federal dollars.

Response

The University concurs with this finding. The University has implemented procedures that require grant personnel and the purchasing department to notify management when construction or renovation projects are funded with federal funds. Additionally, the University has provided technical training on the provisions of the Davis-Bacon Act.

Southern University-Shreveport

Audit Finding Reference Number

2009- Exit Counseling

Condition and Perspectives

We noted three (3) students out of six (6) tested who received Title IV Funds; graduated or ceased to enroll at least half-time and did not have documentation of exit counseling.

Response

The University concurs with this finding. The University has hired a loan coordinator with specific responsibility for ensuring compliance with Title IV regulations regarding exit counseling. Additionally, the University is developing a **Loan Management Default Team** tasked with reviewing and strengthening our overall internal controls as it relates to loan management.

Southern University-Shreveport

Audit Finding Reference Number

Questioned Cost

2009- Entrance Counseling

\$9,800

Condition and Perspectives

During our testing of student eligibility, we noted that eight (8) students from our population tested were first time borrowers and required entrance counseling prior to receiving financial aid.

Based on procedures performed with respect to entrance counseling, we noted the following during our audit:

- Two (2) students were first-time borrowers and received a FFEL loan without have an entrance counseling session; and
- Two (2) students were first-time borrowers and received a FFEL loan disbursement prior to having an entrance counseling session.

Response

The University concurs with this finding. The University has hired a loan coordinator with specific responsibility for ensuring compliance with Title IV regulations regarding entrance counseling. Additionally, the University is developing a Loan Management Default Team tasked with reviewing and strengthening our overall internal controls as it relates to loan management.

PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN
THE LOUISIANA LEGISLATIVE AUDITOR

AND

SEAN M. BRUNO, CERTIFIED PUBLIC ACCOUNTANTS

BE IT KNOWN, that on the 27th day of July 2009 the LOUISIANA LEGISLATIVE AUDITOR (hereinafter designated as the "Auditor") and SEAN M. BRUNO, CERTIFIED PUBLIC ACCOUNTANTS (hereinafter designated as the "CPA"), located at 4949 Bullard Avenue - Suite 100, New Orleans, Louisiana 70128, do hereby enter into a professional services contract for the purpose of providing audit services to the SOUTHERN UNIVERSITY SYSTEM (hereinafter designated as the "Auditee").

NOW, THEREFORE, the Auditor and CPA hereto do mutually agree as follows:

I.

Employment of CPA. The Auditor hereby agrees to engage the CPA and the CPA hereby agrees to perform the services hereinafter set forth and as set forth in Goals and Objectives (Section IV) and in the Deliverables (Section IX) enumerated in this contract.

II.

Order of Precedence. In the event that any of the provisions in Attachments A and B, which are incorporated herein by reference, are inconsistent with the main contractual provisions of this agreement, the contractual provisions shall take precedence.

III.

Scope of Services. The CPA agrees to provide the necessary services hereinafter set forth:

A. To conduct an audit that shall encompass federal funds under the control of the Auditee.

The audit will encompass the Schedule of Expenditures of Federal Awards (SEFA) and records of the Auditee as they relate to the federal grants and contracts and student financial aid programs for the period July 1, 2008 to June 30, 2009, for the purpose of expressing an opinion on them. It is acknowledged that the SEFA and the underlying records and supporting documents are the representation of management; that the Auditee assumes full responsibility for their integrity and fairness; and that representation letters will be requested from the Auditee by the CPA.

The CPA will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the SEFA is free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Auditee or to acts by management or employees acting on behalf of the Auditee. Because an audit is designed to provide reasonable, but not absolute assurance and because the CPA will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by the CPA.

The audit will be made in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the OMB A-133 *Compliance Supplement*. The audit will comply with the provisions of Louisiana Revised Statute 24:513 and the provisions of the Louisiana Governmental Audit Guide, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. The CPA will, during the course of the audit, test the accuracy of the Auditee's responses to the Systems Survey and Compliance Questionnaire.

B. To remain cognizant of changes in the Auditee's operations, to include the receipt and disbursement of federal funds or any other operational changes that may affect the audit scope in this contract. If such changes occur, the CPA shall notify the Auditor immediately, in writing. If necessary, this contract may be amended to ensure that there are no limitations on the scope of the audit to be performed under this contract.

C. To plan and perform the audit to obtain reasonable assurance about whether the SEFA is free of material misstatement caused by errors, fraud, or illegal acts that would have a direct impact on the SEFA.

D. To assess the risk that errors and fraud may cause the SEFA to contain a material misstatement and consider illegal acts that could have a direct material effect on the SEFA, to the extent required by the previously mentioned standards, and based on the assessment, to design tests to detect such matters.

E. To include in the appropriate audit report, to the extent required by the previously mentioned standards and state law, any material errors, fraud, or illegal acts detected during the audit, and if federally assisted programs are involved, to notify the federal and state cognizant agencies. In addition, the errors, fraud, or illegal acts shall be brought to the attention of the audit committee, if any, to the extent required by the previously mentioned standards.

F. To convey to the Auditee, where appropriate, those matters observed relating to *opportunities for economies of operation* or other matters that should be brought to the Auditee's attention.

IV.

Goals and Objectives. The goals and objectives of this professional services agreement are to obtain audit services within the time-frame established in Section IX, at the agreed-upon cost, as detailed in Section XVI, and to ensure that the services are performed in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and OMB Circular A-133, where applicable.

V.

Performance Measures. The Auditor shall use the following performance measures when determining that the goals and objectives were met.

- A. Timeliness and quality of required deliverables as set forth in Section IX
- B. Timeliness of the issued audit report
- C. Quality of the issued audit report
- D. Comparison of prior audit fees to current audit fees

VI.

Monitoring the Audit Services. For the audit period, the Auditor shall communicate with both the CPA and the Auditee during the beginning and ending stages of the audit, and more frequently if necessary, regarding the status and progress of the audit services and to ensure the quality and timeliness of the deliverables and report. The Auditor shall also review the quality of the deliverables and the report at the completion of each deliverable and at the time when the completed audit report is tendered.

VII.

Assistance from Auditee. The Auditee, its officials, and staff agree, as per the attached acknowledgment incorporated herein by reference, to assist the CPA in his work and to furnish such information, reports, aid, services, and assistance as may be requested without any cost or charge.

VIII.

Term. The contract period shall commence on the date this contract is executed by the Auditor, and shall terminate 60 days after the audit report is accepted by the Auditor.

IX.

Deliverables. The information listed below should be transmitted to the Auditor no later than the dates indicated. It should be submitted electronically to the following individuals:

Ms. Joy Irwin, Director of Advisory Services (jirwin@lla.la.gov);
Mr. Tom Cole, Director of Financial Audit (tcole@lla.la.gov);
Ms. Marsha Guedry, Federal Audit Coordinator (mquedry@lla.la.gov); and
Ms. Beth Davis, Assistant Director of Financial Audit (bdavis@lla.la.gov).

Any changes that are made to the contents of the following deliverables after their submission, must be brought to the attention of the Auditor immediately. The information in the final Single Audit Report (due January 8, 2010) must agree to the information in the deliverables that were submitted prior to the final report.

| | |
|-------------------------|---|
| October 19, 2009 | <p>1) Audited Summary Schedules of Prior Federal Audit Findings (AFR Schedules 8-3) for all 2008 federal findings, and some federal findings from years prior to 2008 that have unresolved conditions or questioned costs are due to the Auditor. A list of findings requiring a Schedule 8-3 for the 2009 fiscal year is included in the instructions for Schedule 8-3 distributed by the Office of Statewide Reporting and Accounting Policy (OSRAP). The website where the instructions can be obtained is: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> <p>2) In addition to the audited Schedules 8-3, a statement that the status of the findings as presented in Schedules 8-3 is correct, or an audit finding that the status is materially misrepresented by the auditee as required by OMB Circular A-133, Section 510 (7) is due to the Auditor.</p> |
|-------------------------|---|

| | |
|--------------------------------|---|
| <p>October 23, 2009</p> | <p>1) Audited Schedules of Expenditures of Federal Awards (SEFA) (AFR Schedule 8) is due to the Auditor. If more than one campus presented a SEFA, then a schedule for each campus shall be included. Instructions for preparing Schedule 8 that were distributed by OSRAP can be obtained at: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> <p>2) An audited schedule of fixed-price contracts (AFR Schedule 8-1) reporting total revenues for the year for each fixed-price contract, by program name and number as identified in the <u>Catalog of Federal Domestic Assistance (CFDA)</u>, or by project name and grantor if not identified in the catalog. If more than one campus presented a schedule of fixed-price contracts, then a schedule for each campus shall be included. Instructions for preparing Schedule 8-1 that were distributed by OSRAP can be obtained at: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> <p>3) Note disclosures related to the SEFA are due to the Auditor. This includes the schedules of disclosures for federally assisted loans (AFR Schedule 8-2) reporting the amount of loans made or disbursed during the year and the outstanding loan balances at the end of the year for each student financial aid program, principal and interest cancellations and other costs related to these programs. If more than one campus presented note disclosures related to the SEFA, then disclosures for each campus shall be included. Instructions for preparing Schedule 8-2 that were distributed by OSRAP can be obtained at: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> <p>4) An Opinion Basis Form on the SEFA is due to the Auditor indicating the opinion on the auditee's SEFA (including fixed price contracts and related note disclosures). The opinion form used to provide the opinion information can be obtained from the Auditor (Federal Audit Coordinator). If more than one campus presented a SEFA, then an Opinion Basis Form for each campus shall be included.</p> |
| <p>October 23, 2009</p> | <p>Audited Schedules of Interagency Federal Flow-Through Funds: The schedules shall include:</p> <p>1) Schedule of <u>Non-State Agency/University Subrecipients of Major Federal Programs</u> (AFR Schedule 8-4). This schedule shall include the federal grantor, subrecipient agency, CFDA number, federal program name, and the amount. The amount of major program federal funds passed to subrecipients that are outside the state's reporting entity (i.e., university in another state, local government entity, etc.) is required on this schedule. This information is included in the note disclosures of the SEFA. Instructions for preparing Schedule 8-4 that were distributed by OSRAP can be obtained at: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> <p>2) Schedule of <u>State Agency/University Subrecipients of all Federal Programs</u> (AFR Schedule 8-5). This schedule shall include the federal grantor, subrecipient agency, CFDA number, federal program name, and the</p> |

| | |
|-------------------|--|
| | <p>amount. The amount of federal funds passed to subrecipients that are included in the state reporting entity shall be included on this schedule. Instructions for preparing Schedule 8-5 that were distributed by OSRAP can be obtained at: http://www.doa.louisiana.gov/osrap/afrpackets.htm.</p> |
| December 4, 2009 | <p>1) All audit findings to be included in the 2009 Schedule of Findings and Questioned Costs are due to the Auditor. The findings submitted shall include all elements of a finding as required by OMB Circular A-133, Section 510(b).</p> <p>2) Management's formal responses to the audit findings, including corrective action plans that are required by OMB Circular A-133 and shall be included in these responses.</p> <p>3) A Results of Compliance/Control Test work for Federal Programs form (Opinion Form) is due to the Auditor disclosing the results of test work on each major federal program. The Opinion Form indicates whether the compliance test work resulted in an unqualified opinion on the compliance requirements of the major program and whether the internal control test work identified any material weaknesses. The Opinion Form can be obtained from the Auditor (Federal Audit Coordinator). If more than one major program was tested, an Opinion Form for each program shall be submitted.</p> |
| December 11, 2009 | <p>1) Completed Risk Assessment Summary Forms for <u>all major federal programs</u> are due to the Auditor. The Risk Assessment Summary Forms can be obtained from the Auditor (Federal Audit Coordinator). If more than one major program was tested, a Risk Assessment Summary Form for each program shall be submitted.</p> <p>2) The updated representation letters signed by the Auditee during the exit conference shall be copied or scanned and submitted. If the exit conference has not been held by December 11, 2009, the CPA shall provide the letter signed at the beginning of the audit, and forward the updated letter once the exit is held with management.</p> |

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| <p>January 8, 2010</p> | <p>Final Single Audit Report for fiscal year 2009 is due to the Auditor, and shall include:</p> <ul style="list-style-type: none"> • The independent auditor's report on the Schedule of Expenditures of Federal Awards (SEFA) • Schedules of expenditures of federal awards and related notes • Supplementary information schedules of loans and other information as needed • A report on internal control over financial reporting and on compliance and other matters based on an audit of the SEFA performed in accordance with <i>Government Auditing Standards</i> • A report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133 • Schedules of findings and questioned costs and the Auditee's responses. <p>The final Single Audit Report will not be accepted unless all information contained therein is consistent with the content of the previously submitted deliverables.</p> |
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X.

Copies of Reports. At the conclusion of the audit, the CPA agrees to immediately send the completed report to the following recipients in the following numbers:

G. Either:

- i) One unbound single sided copy of the report to the Auditor,
- ii) Or one graphical file of the report and one graphical file of the transmittal letter. The graphical file may be created in either a tif or pdf format. The report file shall include any management letter, as well as management's corrective action plan. Graphical files may be delivered by mail on a diskette, a zip disk, a compact disc, or they may be sent electronically as attachments to an email. Files sent by email should be sent to the following email address: **ereports@lla.la.gov**

H. Ten copies of the audit report to management of the Auditee.

XI.

Commencement and Completion of Deliverables and Audit Report. The CPA agrees to commence and complete the audits according to the dates listed in Section IX.

XII.

Necessity of Additional Audit Work. Should the Auditor determine that additional audit work is necessary, and said work is the responsibility of the CPA, the CPA shall bear the cost thereof.

XIII.

Audit Documentation. Audit documentation (working papers and all correspondence relating to the audit) shall be retained for a period of five years from the date of the audit report, unless the CPA is notified, in writing, by the Auditor or a cognizant agency to extend the retention period. All of the audit documentation shall be available for inspection by the Auditor, any principal auditor, any federal or state grantor agency, any cognizant agency, the Louisiana State Board of Certified Public Accountants, or any other entity recognized within the State of Louisiana to provide a quality assurance function.

XIV.

CPA Responsibilities Upon Completion. At the completion of the contract period, or upon termination of this contract, the CPA shall answer specific inquiries of proposers, as required under professional auditing standards, where the intent of the proposers is to respond to a subsequent solicitation for proposal. Upon the award of future contracts that create a predecessor/successor relationship, the CPA shall provide responses to the inquiries required by professional auditing standards. In accordance with those standards, the CPA shall make all of the audit documentation available for review and copying. This access shall be granted at a mutually convenient time and location, and shall occur within ten (10) working days of the request. The access shall include documentation of the predecessor's understanding of the internal control, documentation of a permanent nature, and documentation that supports the summary of significant accounting policies. Copies of the audit documentation shall be provided by the CPA to the successor at the rate of \$.25 per copy, unless submitted

electronically. No further charges shall be assessed by the CPA unless approved by the Auditor.

XV.

Special Contract Conditions. The CPA shall notify the Auditor and the Auditee, immediately, in writing, if there is any limitation on the scope of the audit, to include denial of access to books and records or failure to provide the books and records in a timely manner.

The CPA shall notify the Auditor, immediately, in writing, if the CPA decides to withdraw from the engagement. The notification by the CPA shall describe in detail the reasons leading to the withdrawal.

The CPA shall notify the Auditor, immediately, in writing, if any illegal or fraudulent acts are detected.

The CPA shall notify the Auditor and the Auditee immediately, in writing, if the CPA encounters circumstances that make it necessary for the CPA to perform added work beyond the scope originally anticipated, before beginning such work. As part of the notification, the CPA will provide an estimate of the resulting fee. No additional work shall be done without express written consent of the Auditor and Auditee.

In the event the CPA decides to reissue a report, the Auditor and Auditee must be notified, immediately, in writing, and the reissued report shall be distributed in the same manner as the original report.

The Auditee agrees, by virtue of the resolution attached hereto and incorporated herein by reference, to authorize and release the CPA to deal directly with the Auditor on any issue relating to the audit without prior consultation or liability.

XVI.

Method of Compensation. In consideration of the services to be performed by the CPA, the CPA will be compensated in accordance with the following schedule at the time deliverables are accepted and approved by an Auditor representative:

| Due Date | Deliverable | Payment |
|-------------------|---|----------------|
| October 19, 2009 | Audited Summary Schedules of Prior Federal Audit Findings with required statements of accuracy. | \$14,250 |
| October 23, 2009 | Audited SEFA/Fixed Price Contracts/Note Disclosures/Opinion Form | \$14,250 |
| October 23, 2009 | Audited Schedules of Interagency Federal Flow-Through Funds: <ul style="list-style-type: none"> • Non-State Agency/University Subrecipients of Major Federal Programs; • State Agency/University Subrecipients of all Federal Programs. | \$14,250 |
| December 4, 2009 | All audit findings to be included in the 2009 Schedule of Findings and Questioned Costs with Management Responses/Opinion Forms on Major Programs | \$14,250 |
| December 11, 2009 | Completed Risk Assessment Summary Forms for All Major Federal Programs/Updated Auditee's Representation Letter | \$14,250 |
| January 8, 2010 | Final Single Audit Report The final Single Audit Report will not be accepted unless all information contained therein is consistent with the content of the previously submitted deliverables. | \$23,750 |

Upon acceptance of each deliverable as described above, an Auditor representative will notify the Auditee who in accordance with the acknowledgment, herein attached and incorporated by reference, who shall make the appropriate payment payable to the Auditor and CPA.

XVII.

Termination of Contract. The Auditor shall have the right to terminate this contract for cause based upon the failure of the CPA to comply with the terms and/or conditions of the contract; provided that the Auditor shall give the CPA written notice specifying the CPA's failure. If within five (5) business days after receipt of such notice, the CPA shall not have corrected such failure, the Auditor may place the CPA in default and the contract shall terminate on the date specified in such notice. Upon approval of the Auditor, the CPA shall have the right to terminate this contract if the CPA cannot complete the requirements of this contract because of a conflict with a provision of generally accepted auditing standards or *Government Auditing Standards*.

In the case of termination, the CPA shall be paid for any work performed up to the last deliverable date as set forth in Section IX. However, the CPA shall not be relieved of any liability to the Auditor or Auditee for damages sustained by the Auditor or Auditee by virtue of any breach of this contract by the CPA.

Any claim or controversy between the CPA and the Auditee arising out of this contract shall be resolved by the Auditor.

XVIII.

Payment of Taxes. The CPA hereby agrees that the responsibility for payment of taxes from the fees received under this agreement shall be the CPA's obligation and identified under Federal Tax Identification Number 26-4006846.

XIX.

Assignability. The CPA shall not assign any interest in this contract, shall not transfer any interest in the same (whether by assignment or novation), and shall not subcontract or enter into a joint venture with respect to this contract, without the prior written consent of the Auditor.

XX.

Applicable Laws. The CPA shall comply with all applicable federal, state, and local laws and all applicable laws comprising the Louisiana Code of Governmental Ethics (LSA-R.S. 42:1101 et seq.) in carrying out the provisions of this contract. The CPA agrees to immediately notify the Auditor, in writing, if potential violations arise during the course of this contract.

XXI.

Discrimination. The CPA agrees to abide by the requirements of Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the CPA agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

The CPA agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disability, or sexual orientation.

Any act of discrimination committed by the CPA, or failure to comply with these statutory obligations shall be grounds for termination of this contract.

XXII.

Insurance. The CPA shall provide and bear the expense of all personal and professional coverage relating to its duties under this contract.

XXIII.

Indemnification. The CPA shall indemnify and save harmless the Auditor and Auditee against any and all claims, losses, liabilities, demands, suits, causes of action, damages, and judgements of sums of money to any party for loss of life or injury or damage to personal property growing out of, resulting from, or by reason of, any negligent act or omission, operation or work of the CPA, its agents, servants, or employees, while engaged upon or in connection with the services required or performed by the CPA hereunder.

XXIV.

Worker's Compensation. The Auditor and CPA expressly agree that the CPA is an independent contractor as defined in R.S. 23:1021(6) and, as such, expressly agree that the Auditor shall not be liable to the CPA or to anyone employed by the CPA for any benefits or coverage as provided by the Worker's Compensation Law of the State of Louisiana.

XXV.

Claims or Liens. The CPA shall be solely liable for and shall hold the Auditor and Auditee harmless from any and all claims or liens for labor, services, or materials furnished to the CPA in connection with the performance of its obligations under this contract.

XXVI.

Employment of State Personnel. The CPA certifies that it has not employed and will not employ any person to engage in the performance of this contract who is currently an employee of the State of Louisiana.

XXVII.

Covenant Against Contingent Fees. The CPA warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CPA, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CPA, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the Auditor shall have the right to annul this contract without liability, or, in his discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

XXVIII.

Acceptance of Audit. The determination of the successful completion of the terms of this contract shall lie solely with the Auditor.

XXIX.

Non-Appropriation Clause. In the event funds are not budgeted or appropriated in any fiscal year for payments due under this contract, this contract shall impose no obligation on the Auditor or Auditee, and said contract shall become null and void and no right of action shall accrue to the benefit of CPA, its successors, or assigns for any further payment.

XXX.

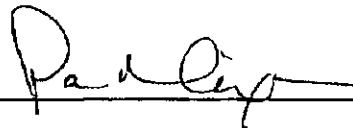
Severability. If any term, covenant, condition, or provision of this contract or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this contract, or the application of such term, covenant, condition, or provision to persons or circumstance other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition, and provision of this contract shall be valid and be enforced to the fullest extent permitted by law.

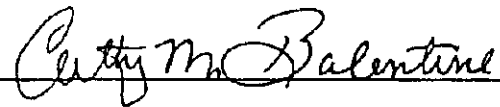
XXXI.

Entirety of This Agreement. This engagement agreement along with the attachments thereto, constitutes the entire agreement between the contracting parties. There are no additional promises, terms, conditions, or obligations other than those stipulated and contained herein.

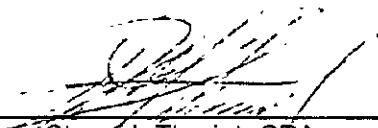
IN WITNESS WHEREOF, THE Auditor and the CPA have executed this agreement as of the date first above written.

WITNESSES:



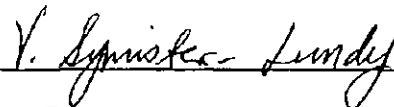


LEGISLATIVE AUDITOR OF THE
STATE OF LOUISIANA

By: 

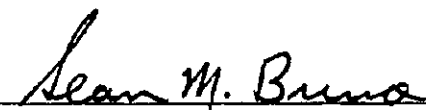
Steve J. Theriot, CPA
Legislative Auditor

WITNESSES:





SEAN M. BRUNO, CERTIFIED PUBLIC
ACCOUNTANTS

By: 

Sean M. Bruno, CPA
Owner

RESOLUTION

BE IT RESOLVED that Sean M. Bruno is duly authorized to enter into and sign this contract on behalf of SEAN M. BRUNO, CERTIFIED PUBLIC ACCOUNTANTS.


Sean M. Bruno
Sean M. Bruno, CPA
Owner

July 9, 2009
Date

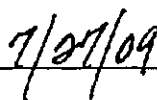
ACKNOWLEDGEMENT

The Auditee hereby acknowledges the terms and conditions of this contract, including, but not limited to, the obligation to assist the CPA and Auditor, and the obligation to compensate the CPA and Auditor for all costs relating to the performance of the services contained herein in the amounts set forth in this agreement.

SOUTHERN UNIVERSITY SYSTEM

By: 

Dr. Kassie Freeman,
Interim President



Date